DMEA Form 9
Rev. 6/57

UNITED STATES
DEPARTMENT OF THE INTERIOR
Defense Minerals Exploration Administration

OFFICIAL DOCKET FILE — Idm-E NO. 339 — DMEA NO. 2399

Application
- [ ] Denied
- [ ] Withdrawn

Contract
- [ ] Terminated - Not Certified
- [x] Terminated - Certified
- [ ] Cancelled
- [ ] Royalty Agreement

The records contained in this file are marked (x) and arranged in this order:

Folder No. 1:

Left Side

- [ ] Royalty Audits
- [x] Certification of Discovery
- [ ] Closing Letter
- [x] Cost Audits
- [x] Termination Notice or Agreement
- [ ] Recision Notice
- [ ] Assignment of Contract
- [x] Contract Amendments
- [x] Contract with all exhibits and annexes
- [ ] Owner's Consent to Lien and Subordination Agreement — Guaranty in lieu of
- [x] Application and attachments

Right Side

- [x] Project summary (final)
- [x] Work Completed analysis (final)
- All other material filed in chronological order including the following reports if checked:
- [ ] Field Team Semi-Annual Report for Certified Project
- [x] Final Field Team Report (Tab)
- [x] Operator's Final Report (Tab) — Separate Folder No. 2.
- [ ] Interim Field Team Reports
- [ ] Operator's monthly reports and all attachments
- [ ] On-site Exam Report (Tab)
- [ ] Settlement Sheets
- [ ] Drill Logs

Additional Folders:
No 2. Final Reports

Left Side

Folders No. _____ : Reports
- [ ] Analysis of Semi-Annual Inspection Reports
- [ ] Project Summary (Interim) by DMEA Engineers

Right Side

- [x] Field Team Semi-Annual Report for Certified Project — FOLDER NO. 3
- [ ] Field Team Interim Reports
- [x] Operator's Monthly Reports with transmittal, narrative and maps. — FOLDER NO. 3

Folders No. _____ : Maps (Use pocket folder or envelope)

Folders No. _____ : Settlement Sheets

Folders No. _____ : Drill Logs

Folders No. _____ : Royalty material

R.C.J.

17963

OFFICE OF MINERALS EXPLORATION
CONTRACT ADMINISTRATION AND AUDIT DIVISION

REPORT OF ROYALTY REVIEW

I have reviewed the files of the Office of Minerals Exploration, Washington, D. C., pertaining to Contract No. Idm-E339, Docket No. DMEA-2399 (Lead, zinc), dated June 11, 1952, with

The Eagle-Picher Company
Mining and Smelting Division
First National Bank
Miami, Oklahoma

for the purpose of determining the amount of royalty due the U. S. Government on sales of minerals from property referred to as Calvert-Ralph Orebody located in Lafayette County, Wisconsin, during the period June 11, 1952, through June 30, 1960.

A certification of discovery or development was issued on September 3, 1954, and, in accordance with Article 6 of the contract, royalty is payable on all minerals mined or produced from the land described in Article 2 of the contract for a period of 10 years from the date of the contract or until the total net amount contributed by the Government without interest is fully repaid, whichever occurs first. A Report of Review in lieu of final audit dated March 31, 1954, indicated accepted costs under the exploration contract amounting to $67,957.76 with the Government's contribution, on a 50 percent basis, being $33,978.88.

This review was made in lieu of an on-site audit of the Operator's accounts and records for the following reasons:

(1) Inspection reports by representatives of the Government and other correspondence in the Washington office files indicate that there has not been any production of minerals from the property on which royalty would be due to the Government since the date of the exploration contract; and

(2) The administrative cost to the Government of an on-site royalty audit at this time would be excessive in relation to the amount of possible royalty which might be disclosed.

C. E. Fisher

C. E. Fisher, OME Auditor

July 6, 1960

File Copy
Surname

Griswold
Rubin
Hoffman
Crampton
Kiilsgaard
Hedges
Selfridge
F. Johnson

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
WASHINGTON 25, D. C.

CERTIFICATION BY THE UNITED STATES OF AMERICA
OF A DISCOVERY OR DEVELOPMENT UNDER
AN EXPLORATION PROJECT CONTRACT

To: Mr. O. A. Rockwell
The Eagle-Picher Company
Mining & Smelting Division
First National Bank Building
Miami, Oklahoma

Pursuant to the provisions of Exploration Project Contract No. Idm-E339, dated June 11, 1952, Docket No. DMEA-2399, hereinafter called the "contract", between you and the United States of America, hereinafter called the "Government"; to establish and fix the Government's percentage royalty on production and its lien thereon and on the land described in the contract, the Government considers and therefore certifies that discovery or development from which production may be made has resulted from the exploration work.

The nature of said discovery or development is described broadly or indicated as follows: Churn drilling on the Francis M. Calvert and Clarence P. Ralph leases, located in the SW¼ of Section 6, T. 1 North, R 1 East, of the 4th P.M., Lafayette County, Wisconsin, has shown the existence of zinc ores, with auxiliary amounts of lead, occurring as replacements within a series of dolomitic rocks.

Lesser amounts of zinc ores were also encountered by churn drilling on the Wm. H. Calvert Estate lease, located in the NE¼ of Section 7, T. 1 North, R 1 East; and on the Fred W. and J. Frank Wilkinson lease, located in the S½ of the SW¼ of Section 32, T. 2 North, R 1 East.

Dated: SEP 3 - 1954

WRGriswoldb/jl (7/26/54)

THE UNITED STATES OF AMERICA

By O. Mitteder
Administrator, Defense Minerals
Exploration Administration

Copy to: Docket
Irving Gumbel, Dr., MD, FPS
Mr. Hedges (4604)
Mr. Kiilsgaard, Rm. 5227
Admr. R. File
Op. Committee
Base Metals
Cont. Adm. & Audit Div.
Finance Office
Region V (2)
F. E. Johnson
W. R. Griswold
Chron.

Old Bitty

DEFENSE MINERALS EXPLORATION ADMINISTRATION
CONTRACT ADMINISTRATION AND AUDIT DIVISION

REPORT OF REVIEW

I have reviewed the Monthly Reports of:

Eagle-Picher Company
First National Bank Building
Miami, Oklahoma

pertaining to Exploration Project Contract No. Idm-1339, Docket No. DMEA-2399, including Amendment No. 1, for the months of June, 1952 to February, 1954, inclusive, covering a project for the exploration of lead and zinc located in Lafayette County, Wisconsin.

My review included an examination of the Monthly Reports (Forms MP-104) and supporting documents attached thereto, comparison of the costs claimed with the contract and pertinent schedules, verification of the work performed by reference to the final report of the Government representatives who visited and examined the project, and a determination of the reasonableness and propriety of the costs.

This review was made in lieu of a final audit of the Operator's accounts and records for the following reasons:

(a) a major portion ($56,195.87) of the costs incurred were under a contract provision for payment by the Government on the basis of agreed estimated costs of units of work actually performed; and
(b) only supervisory and technical costs were on basis other than agreed unit costs.

The review disclosed the following facts in regard to the amount paid or to be paid the contractor:

Total cost as billed by Contractor		$67,957.85
Less: Odd cents calculations		.09
Exceptions:		
By DMEA Finance Officer	$ -0-	
Herewith	-0-	-0-
Total Accepted Cost		$67,957.76

The contract calls for a 50 percent participation of exploration expenses by the United States Government. Therefore, payment to the contractor by the Government in the amount of Thirty-three thousand nine hundred ~~eighty-eight~~ and 88/100 Dollars

** $33,978.88**

is considered valid and proper, provided that the Regional Executive Officer, the Administrator, or other competent official has accepted or will accept the project as having otherwise met the terms of the contract.

Jay L. Chambers

March 31, 1954

Jay L. Chambers, Auditor

Dock Copy

TERMINATION AGREEMENT

It is agreed this 9th day of April, 1954, between the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration (hereinafter called the "Government"), and The Eagle-Picher Company (hereinafter called the "Operator"), parties to that certain Exploration Project Contract Idm-E339, Docket No. DMEA-2399, dated June 11, 1952, as amended (hereinafter called the "Contract"), that:

1. All work and operations provided for in the Contract shall be terminated as of February 4, 1954.

2. The Operator shall promptly render to the Government a full and final report and a final accounting of the units of work performed under the Contract up to and including February 4, 1954. Any units of work performed after February 4, 1954, shall be for the sole account of the Operator without contribution by the Government.

3. The Operator hereby releases and agrees to save the Government harmless from all claims or demands under or arising out of the Contract, except as herein otherwise provided.

4. All rights of the Government with respect to certification of discovery or development, percentage royalty, and lien for payment, as provided in the Contract, are preserved.

IN WITNESS WHEREOF, these parties have executed this agreement as of the day and year first above written.

THE UNITED STATES OF AMERICA

By C. Mitteudorf
Administrator, Defense
Minerals Exploration
Administration

Robin
Hoffhund

THE EAGLE-PICHER COMPANY

Chamber

By O. A. Rockwell

Docket Copy

EXPLORATION PROJECT CONTRACT
EAGLE-PICHER COMPANY
DOCKET NO. DMEA-2399

AMENDMENT NO. 1

It is agreed this 12th day of November, 1952, between the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration and the Eagle-Picher Company, each acting in consideration of the agreement of the other to the terms hereinafter set forth that the Exploration Project Contract Idm-2339, Docket No. DMEA-2399, dated June 11, 1952, between the parties hereto be modified and amended as of said date as follows:

1. Exhibit "A" - Estimated Costs of Project. Delete pages 2 and 3 and substitute the same numbered pages attached hereto and made a part hereof, which increase the drilling costs per foot from $1.50 to $1.565, thereby increasing total cost of the work in each area, total cost of project, and total cost of Government participation.

2. In Article 4:

Delete $92,019.00 and substitute $95,615.39.

Delete $184,038.00 and substitute $191,230.78.

UNITED STATES OF AMERICA

By C O Mitteldorf
Administrator, Defense Minerals Exploration Administration

EAGLE-PICHER COMPANY

By Ernest Lehman

Estimated Costs of Project

Area 1

Preliminary pattern drilling - 11 churn drill holes, 3,020 ft. @ $1.565/ft.	$ 4,726.30	
Structure drilling - 22 churn drill holes 6,040 ft. @ $1.565/ft.	9,452.60	
Drilling to delineate the ore bodies, 31 churn drill holes, 8,510 ft. @ $1.565/ft.	13,318.15	
Total cost for churn drilling Area 1	$27,497.05	
Plugging drill holes, 64 holes @ $5.00 per hole	320.00	
Total Cost, Area 1		$27,817.05

Area 2

Preliminary pattern drilling - 19 churn drill holes, 3,985 ft. @ $1.565/ft.	$ 6,236.525	
Structure drilling - 38 churn drill holes 7,970 ft. @ $1.565/ft.	12,473.05	
Drilling to delineate the ore bodies, 95 churn drill holes, 19,925 ft. @ $1.565/ft.	31,182.625	
Total Cost for churn drilling Area 2	$49,892.20	
Plugging drill holes, 152 holes @ $5.00 per hole	760.00	
Total Cost, Area 2		50,652.20

Area 3

Preliminary pattern drilling - 53 churn drill holes, 7575 ft. @ $1.565/ft.	$11,854.875	
Structure drilling - 106 churn drill holes, 15,150 ft. @ $1.565/ft.	23,709.75	
Drilling to delineate the ore bodies, 228 churn drill holes, 32,586ft. @ $1.565/ft.	50,997.09	
Total cost for churn drilling Area 3	$86,561.72	
Plugging drill holes, 387 holes @ $5.00 per hole	1,935.00	
Total Cost, Area 3		88,496.72

Area 4

Preliminary pattern drilling - 7 churn drill holes, 860 ft. @ $1.565/ft.	$ 1,345.90	
Structure drilling - 14 churn drill holes, 1,720 ft. @ $1.565/ft.	2,691.80	
Drilling to delineate the ore bodies, 27 churn drill holes, 3,317 ft. @ $1.565/ft.	5,191.105	
Total cost for churn drilling Area 4	$ 9,228.81	
Plugging drill holes, 48 holes @ $5.00 per hole	240.00	
Total Cost, Area 4		$ 9,468.81
Chief field geologist at not to exceed $425.00 per month for a maximum of 18 months	$ 7,650.00	
Field geologist at not to exceed $397.00 per month for a maximum of 18 months	7,146.00	
Total Cost, Geologists		14,796.00

NOTE: For the purposes of this contract, one months services of a geologist represents a unit of work. The Government will contribute to these agreed, estimated costs, as they accrue, in lieu of actual costs.

Total Cost of the Project	$191,230.78
Government Participation @ 50%	$ 95,615.39

MF-200 (A)
(February 1952)

DOCKET NO. DMEA 2399

COMMODITY Lead-Zinc

Idm-E339

Docket Copy

UNITED STATES OF AMERICA
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

EXPLORATION PROJECT CONTRACT[1]
(Short Form)

IT IS AGREED this 11th day of June, 1952, between the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration, hereinafter called the "Government," and[2] The Eagle-Picher Company, an Ohio corporation
Mining and Smelting Division
First National Bank Building
Miami, Oklahoma

hereinafter called the "Operator," as follows:

ARTICLE 1. *Authority for contract.*—This agreement is entered into under the authority of the Defense Production Act of 1950, as amended, pursuant to DMEA Order 1 entitled "Government Aid in Defense Exploration Projects."

ARTICLE 2. *Operator's property rights.*—With respect to that certain land situated in the State of Wisconsin, County of Lafayette, described as follows:[3]

See Appendix I and the map attached to and made a part of this contract.

the Operator represents and undertakes:[4]

(a) ~~That the Operator is a lessee, in possession and entitled to possession, and that the property is subject only to the [illegible] of which the subordination agreement of the holder is attached.~~

Operator's Guaranty

(b) That the Operator is a lessee, in possession and entitled to possession, and the ~~Owner's Consent to Lien~~ is attached.

The Operator shall devote the land and all existing improvements, facilities, buildings, installations, and appurtenances to the purposes of the exploration project without any allowance for the use, rental value, depreciation, depletion, or other cost of acquiring, owning, or holding possession thereof.

ARTICLE 3. *Exploration project.*—The Operator, within two days from the date of this contract shall commence work on a project of exploration for[5] Lead-zinc

in or upon the described land; and shall bring the project to completion within a period of 24 months from the date of this contract. The work to be performed is more fully described in Exhibit "A" attached hereto, which, with any maps or drawings thereto attached, are made a part of this contract. The Government will contribute to the cost of this work as hereafter provided. The work shall be performed by the Operator or by independent contractor or contractors efficiently, expertly, in a workmanlike manner, in accordance with good mining standards and State regulations for health and safety and for workmen's compensation and employers' liability insurance, with suitable and adequate equipment, materials, and labor, to bring the project to completion within the time fixed. The Government shall have the right to enter and observe and inspect the work at all reasonable times, and the Operator shall provide the Government with all available means for doing so. The Government may consult with and advise the Operator on all phases of the work.

ARTICLE 4. *Costs of the project.*—The agreed, estimated costs of performing the work, expressed in terms of units of work to be performed (per foot of drifting, per foot of drilling, per cubic yard of material to be moved, etc.) are set forth in Exhibit "A," attached hereto. The Government will pay 50 percent of these agreed, estimated costs, as they accrue, for units of work actually performed that conform with the description or specifications for the work set forth in this contract, in an aggregate total amount not in excess of $92,019.00, which is 50 percent of $184,038.00, the agreed, estimated total cost of the project in which the Government will participate: *Provided,* That until the Operator's final report and final accounting have been rendered to the Government and any final check or auditing required by the Government has been made, and a final settlement of the contract has been made, the Government may withhold from the last voucher or vouchers such sums as it sees fit not in excess of ten (10) percent of the maximum total which the Government might have been called upon to pay under the terms of the contract. The Government may, as it sees fit, make payments direct to the Operator's independent contractors, if any, for the account of the Operator, rather than to the Operator.

ARTICLE 5. *Reports, accounts, audits.*—(a) *Progress reports.* The Operator shall provide the Government with monthly reports of units of work performed under the contract, in quintuplicate (five copies), upon forms provided by the Government. These progress reports shall be certified by the Operator, and shall constitute both the Operator's invoice of units of work performed on the project during the period covered by the report and his voucher for repayment by the Government, unless the Government requires the use of a standard voucher form with invoice attached. Progress reports shall include surface and/or underground engineering-geological maps or sketches showing the progress of the exploration, with assay-reports on samples taken concurrently with the advance in mineralized ground.

[1] If sufficient space is not provided in any blank, use an extra sheet of paper and refer to it in the blank.
[2] State name, address, and nature of organization if any.
[3] Give legal description or enough to identify the property, particularly excluding any land or interest therein to which the Government's lien is not to attach or the production from which is not to be subject to the Government's percentage royalty.
[4] Strike out the provision not applicable.
[5] Name of mineral or minerals.

(*b*) *Final report.*—Upon completion of the exploration work or termination of this contract the Operator shall provide the Government with an adequate geological and engineering report, in quintuplicate (five copies), including an estimate of ore reserves resulting from the exploration work.

(*c*) *Compliance with requirements.*—If, in the opinion of the Government, any of the Operator's reports are insufficient or incomplete, the Government may procure the making or completion of such reports and attachments as an expense of the exploration work; and the Government may withhold approval and payment of any vouchers depending upon insufficient or incomplete reports.

(*d*) *Accounts and audits.*—The Operator shall keep suitable records and accounts of the units of work performed, which the Government may inspect and audit at any time. The Government may at any time require a check of the work performed and an audit of the Operator's records and accounts, by a certified public accountant or otherwise, the cost thereof to be treated as a cost of the project. The Operator shall keep and preserve said records and accounts for at least 3 years after the completion of the project or the termination of this contract. Upon the completion of the project or termination of the contract the Operator shall render a final account and statement of work performed to accompany his final report.

ARTICLE 6. *Repayment by Operator.*—(*a*) If, at any time, the Government considers that a discovery or a development from which production may be made has resulted from the exploration work, the Government, at any time not later than 6 months after the Operator has rendered the required final report and final account, may so certify in writing to the Operator. The certification shall describe broadly or indicate the nature of the discovery or development. In the event of such certification, any minerals mined or produced from the land described in Article 2 within 10 years from the date of this contract, including any mined or produced before the certification, shall be subject to a percentage royalty which the Operator or his successor in interest shall pay to the Government, upon the net smelter returns, the net concentrator returns, or other net amounts realized from the sale or other disposition of any such production, in whatever form disposed of, including ore, concentrates, or metal, until the total amount contributed by the Government, without interest, is fully repaid, or said 10 years have elapsed, whichever occurs first, as follows:

(1) One and one-half (1½) percent of any such net amounts not in excess of eight dollars ($8.00) per ton.

(2) One and one-half (1½) percent of any such net amounts, plus one-half (½) percent of such net amounts for each additional full fifty cents ($0.50) by which such net amounts exceed eight dollars ($8.00) per ton, but not in excess of five (5) percent of such net amounts.

(For instance: The percentage royalty on a net amount of five dollars ($5.00) per ton, would be one and one-half (1½) percent; on a net amount of ten dollars ($10.00) per ton, three and one-half (3½) percent.)

(*b*) As here used, "net smelter returns," "net concentrator returns," and "other net amounts realized from the sale or other disposition," mean gross revenue from sales, or if not sold, the market value of the material after it is mined in the form in which and the place where it is held. In the case of integrated operations in which the material is not disposed of as such, these terms mean what is or would be the gross income from mining operations for percentage depletion purposes in income-tax determination.

(*c*) To secure the payment of its percentage royalty, the Government shall have and is hereby granted a lien upon the land described in Article 2 and upon any production of minerals therefrom, until the royalty claim is extinguished by lapse of time or is fully paid.

(*d*) This article is not to be construed as imposing any obligation on the Operator or the Operator's successor in interest to engage in any mining or production operations.

ARTICLE 7. *Assignment, transfer, or loss of Operator's interest.*—Without the written consent of the Government, the Operator shall not assign or otherwise transfer or hypothecate this contract or any rights thereunder. The Operator shall not make any voluntary nor permit any involuntary transfer or conveyance of the Operator's rights in the land described in Article 2, without making suitable provision for the preservation of the Government's right to a percentage royalty on production and lien for the payment thereof; *Provided*, that mere failure by the Operator to maintain the Operator's rights in the land, without any consideration running to the Operator other than relief from the cost of maintaining such rights (as by surrender of a leasehold, failure to perform assessment work, or failure to exercise an option), coupled with complete abandonment by the Operator of all interest in or operations on the land for a period of 10 years from the date of this contract, shall not constitute such a transfer or conveyance. Should the Operator make or permit any transfer or conveyance in violation of this provision, the Operator shall be and remain liable for payment to the Government of the same amounts, at the same times, as would have been paid under the terms of the percentage royalty on production. If for any reason the net smelter returns, net concentrator returns, or other net amounts realized from the sale or other disposition of such production are not available as a means of measuring the amount of the Operator's liability, the amount thereof shall be estimated as well as may be, and in the event of dispute as to such estimates, the determination thereof by the Administrator of Defense Minerals Exploration Administration or by his successor shall be final and binding upon the Operator.

ARTICLE 8. *Termination and completion.*—The Government may, at any time, by written notice to the Operator, terminate this contract: (*a*) If the Operator fails to provide his share of the money necessary to prosecute operations pursuant to the terms of the contract; (*b*) if the Operator, in the opinion of the Government, fails to prosecute operations pursuant to the terms of the contract; or (*c*) if, in the opinion of the Government, operations up to the time of the notice have not indicated the probability of making any worth while discovery and in the opinion of the Government further operations are not justified.

ARTICLE 9. *Changes and added provisions* _____

Executed in sextuplicate the day and year first above written.

THE UNITED STATES OF AMERICA

By O. Whittaker

Acting Administrator
Defense Minerals Exploration
Administration

THE EAGLE-PICHER COMPANY
(Operator)

By [signature]

I, _____, certify that I am the Asst Secretary secretary of the corporation named as Operator herein; that _____, who signed this contract on behalf of the Operator, was then _____ of said corporation; that said contract was duly signed for and in behalf of said corporation by authority of its governing body, and is within the scope of its corporate powers.

Kenneth E. Timmel [CORPORATE SEAL]

U. S. GOVERNMENT PRINTING OFFICE 16—66329-1

APPENDIX I

Area I - Leases

1. Lease dated March 26, 1951, from Raymond B. Houtakker, et ux, Lessors, to The Eagle-Picher Mining and Smelting Company, Lessee, upon the following described lands:

   The North half of the Fractional Northwest quarter of the Northwest quarter of Section Seven (7); and the Fractional Southwest quarter of the Southwest quarter of Section Six (6); all in Township One (1) North, Range One (1) East, Lafayette County, Wisconsin,

   Acres 54.97

2. Lease dated November 1, 1951, from John O. Gray, et ux, Lessors, to The Eagle-Picher Mining and Smelting Company, Lessee, upon the following described lands:

   The South half of the Fractional Northwest quarter of the Northwest quarter (18.18 acres), and the North 9.52 acres of the Fractional Southwest quarter of the Northwest quarter; all in Section Seven (7), Township One (1) North, Range One (1) East of the 4th P.M., LaFayette County, Wisconsin, and containing in all 27.70 acres,

   Acres 27.70

3. Lease dated April 2, 1951, from Henry C. Gray, et ux, Lessors, to The Eagle-Picher Mining and Smelting Company, Lessee, upon the following described lands:

   The South twenty-seven (27) acres, more or less, of the Fractional Southwest quarter of the Northwest quarter; and the Fractional Northwest quarter of the Southwest quarter, containing 36.68 acres, and the Fractional Southwest quarter of the Southwest quarter, containing 36.84 acres; all in Section Seven (7), Township One (1) North, Range One (1) East of the 4th P.M., Lafayette County, Wisconsin, and containing in all 100.52 acres, more or less,

   Acres 100.52

Total Acreage 183.19

Area 2 - Leases

1. Lease dated April 2, 1951, from Francis N. Calvert, et ux, Lessors, to The Eagle-Picher Mining and Smelting Company, Lessee, upon the following described lands:

   Part of the Northeast Quarter of Section Six (6), Township One (1) North, Range One (1) East of the 4th P.M., Lafayette County, Wisconsin, described as follows: Beginning at the northeast corner of the Southeast quarter of said Section Six (6), thence West 92.33 rods for a place of beginning, thence North 56.50 rods; thence East 40 rods, thence North 22 degrees West 19.21 rods, thence West 34 rods, thence North 56 rods, thence West 68 rods, thence South 130.33 rods, thence East 68 rods to place of beginning, containing 59.36 acres; Also, the West half of the Southeast quarter of Section Six (6), Township One (1) North, Range One (1) East of the 4th P.M., Lafayette County, Wisconsin, containing 80 acres, and containing in all 139.36 acres,

   Acres 139.36

2. Lease dated April 10, 1951, from Clarence P. Ralph, et ux, Lessors, to The Eagle-Picher Mining and Smelting Company, Lessee, upon the following described lands:

   The East half of the Southeast Quarter (80 acres); and the East 12 rods of the South 50.50 rods of the Southwest quarter of the Northeast quarter (3.80 acres); and that part of the Southeast quarter of the Northeast quarter, commencing at the southeast corner of said Forty acres, thence North 14.24 rods, thence North 25 degrees 30 minutes West 40.74 rods, thence West 55.05 rods, thence South 50.50 rods, thence East 80 rods to place of beginning (26.20 acres); all in Section Six (6), Township One (1) North, Range One (1) East of the 4th P.M., Lafayette County, Wisconsin, and containing in all 110 acres,

   Acres 110.0

3. Lease dated April 25, 1951, from William H. Calvert, et al, Lessors, to The Eagle-Picher Mining and Smelting Company, Lessee, upon the following described lands:

Tract No. 1:

The Northeast quarter of Section Seven (7), Township One (1) North, Range One (1) East of the 4th P.M., containing 160 acres, more or less,

Tract No. 2:

The Northwest quarter of Section Eight (8), Township One (1) North, Range One (1) East of the 4th P.M., containing 160 acres, more or less,

Acres 320.00

Total Acreage 569.36

Area 3 - Leases

1. Lease dated April 14, 1951, from William F. Snyder, et ux, Lessors, to The Eagle-Picher Mining and Smelting Company, Lessee, upon the following described lands:

The West half of the Southeast quarter of Section Thirty (30), Township Two (2) North, Range One (1) East of the 4th P.M., Lafayette County, Wisconsin, containing 80 acres, Acres 80.00

2. Lease dated April 25, 1951, from Arnold J. Splinter, et ux, Lessors, to The Eagle-Picher Mining and Smelting Company, Lessee, upon the following described lands:

The fractional West half of the Northwest quarter of Section Thirty-one (31), Township Two (2) North, Range One (1) East of the 4th P.M., Lafayette County, Wisconsin, (Less Railroad) containing 72.52 acres, more or less,

Acres 72.52

3. Lease dated April 14, 1951, from Verna B. Cole, et vir, Lessors, to The Eagle-Picher Mining and Smelting Company, Lessee, upon the following described lands:

> The Southeast quarter of the Northeast quarter, and the Northeast quarter of the Southeast quarter of Section Thirty-one (31), Township Two (2) North, Range One (1) East of the 4th P.M., Lafayette County, Wisconsin, containing 80 acres, more or less,
>
> Acres 80.00

4. Lease dated April 27, 1951, from Henry V. Hinderman, et ux, Lessors, to The Eagle-Picher Mining and Smelting Company, Lessee, upon the following described lands:

> The Northeast quarter of the Northeast quarter and the West half of the Northeast quarter of Section Thirty-one (31), Township Two (2) North, Range One (1) East of the 4th P.M., Lafayette County, Wisconsin, containing 120 acres, more or less,
>
> Acres 120.00

5. Lease dated April 11, 1951, from Clarence J. Busch, et ux, Lessors, to The Eagle-Picher Mining and Smelting Company, Lessee, upon the following described lands:

> The fractional Northeast quarter of the Northwest quarter of Section Six (6), Township One (1) North, Range One (1) East, containing 42.02 acres; and the Southwest quarter of the Southeast quarter and the East half of the Southwest quarter of Section Thirty-one (31), Township Two (2) North, Range One (1) East, less Railroad right-of-way, containing 117 acres, all in Lafayette County, Wisconsin, and containing in all 159.20 acres, more or less,
>
> Acres 159.20

6. Lease dated April 12, 1951, from Charles Curtis, et ux, Lessors, to The Eagle-Picher Mining and Smelting Company, Lessee, upon the following described lands:

The Northwest quarter of the Southeast quarter (less Railroad right-of-way) of Section Thirty-one (31), Township Two (2) North, Range One (1) East of the 4th P.M., Lafayette County, Wisconsin, containing 39 acres,

Acres 39.00

7. Lease dated April 14, 1951, from Verna B. Cole, et vir, Lessors, to The Eagle-Picher Mining and Smelting Company, Lessee, upon the following described lands:

The East half of the Northwest quarter of Section Thirty-one (31), Township Two (2) North, Range One (1) East of the 4th P.M., Lafayette County, Wisconsin, containing 80 acres, more or less,

Acres 80.00

8. Lease dated April 16, 1951, from Delmar J. Heim, et ux, Lessors, to The Eagle-Picher Mining and Smelting Company, Lessee, upon the following described lands:

The South half of the Northwest quarter and the Southwest quarter of the Northeast quarter of Section Thirty-two (32), Township Two (2) North, Range One (1) East of the 4th P.M., Lafayette County, Wisconsin, containing 120 acres, more or less,

Acres 120.00

9. Lease dated April 25, 1951, from Fred W. Wilkinson, et ux, Lessors, to The Eagle-Picher Mining and Smelting Company, Lessee, upon the following described lands:

The North half of the Southwest quarter of Section Thirty-two (32), Township Two (2) North, Range One (1) East of the 4th P.M., Lafayette County, Wisconsin, containing 80 acres, more or less,

Acres 80.00

10. Lease dated April 25, 1951, from Fred W. Wilkinson, et al, Lessors, to The Eagle-Picher Mining and Smelting Company, Lessee, upon the following described lands:

Part of the Southwest quarter of the Southeast quarter of Section 32-2-1, described as follows: Beginning at the southwest corner of the said Southwest quarter of the Southeast quarter, thence east 6 rods, thence north 40 rods, thence west 6 rods and thence south 40 rods to the place of beginning.

Also: The South half of the Southwest quarter of Section 32-2-1, excepting therefrom a tract described as follows: Beginning at the northeast corner of the said South half of the Southwest quarter, thence west 6 rods, thence south 40 rods, thence east 6 rods, and thence north 40 rods to the place of beginning -

the town and range above referred to being Town 2 North, Range 1 East of the 4th P.M. - Lafayette County, Wisconsin, Acres 80.00

11. Lease dated April 6, 1951, from Vincent Pinch, et ux, Lessors, to The Eagle-Picher Mining and Smelting Company, Lessee, upon the following described lands:

That part of the Fractional Northeast quarter of the Northeast quarter of Section Five (5), Township One (1) North, Range One (1) East, commencing at the southwest corner of said forty acres, thence East four (4) rods, thence North 26.60 rods, thence South 76 degrees West to the 1/8th line, thence South to the place of beginning, being 0.66 acres; Also, that part of the Fractional Northwest quarter of the Northeast quarter of said Section Five, commencing at the southwest corner of said forty acres, thence North 12.75 rods, thence East 36 rods, thence North

76 degrees East 45.32 rods to the 1/8th line, thence South to the southeast corner of said forty acres, thence West 80 rods to the place of beginning, being 8.35 acres; Also, the South half of the Northeast quarter of said Section Five (5), Township One (1) North, Range One (1) East, containing 80 acres; Also, the Fractional Northeast quarter of the Northwest quarter of said Section Five, containing 45.08 acres; Also, the East 5.30 acres of the Northwest quarter of the Northwest quarter of said Section Five (5), Township One (1) North, Range One (1) East, all of said land being in Lafayette County, Wisconsin, and containing in all 139.39 acres,

Acres 139.39

12. Lease dated April 25, 1951, from Bessie Wiseman, a single woman, Lessor, to The Eagle-Picher Mining and Smelting Company, Lessee, upon the following described lands:

The fractional Northeast quarter of the Northeast quarter, except a tract of land commencing at the southwest corner of said quarter quarter section, thence East four (4) rods, thence North twenty-six and sixty hundredths (26.60) rods, thence South 76 degrees West to the one-eighth line, thence South to the place of beginning (44.06 acres); Also, the fractional Northwest quarter of the Northeast quarter, excepting a tract commencing at the southeast corner of said quarter quarter section, thence West eighty (80) rods, thence North twelve and seventy-five hundredths (12.75) rods, thence East thirty-six (36) rods, thence North 76 degrees East forty-five and thirty-two hundredths (45.32) rods to the one-eighth line, thence South to place of beginning (36.55 acres); all in Section Five (5), Township One (1) North, Range One (1) East of the 4th P.M., Lafayette County, Wisconsin, containing in all 80.61 acres, and being all of the

land of Lessor located in said Section Five (5), Township One (1) North, Range One (1) East in said County and State,

Acres 80.61

13. Lease dated April 25, 1951, from William H. Calvert, et al, Lessors, to The Eagle-Picher Mining and Smelting Company, Lessee, upon the following described lands:

Tract No. 3:

The Southwest quarter of the Northwest quarter, excepting the following described tract of land: Commencing at the northwest corner of said forty acre tract, thence South 35.28 rods, thence North 50 degrees 30 minutes East 52.80 rods, thence West 40 rods to the beginning, and also, excepting Railroad right-of-way:

The Southeast quarter of the Northwest quarter; and the Southeast quarter; all in Section Five (5), Township One (1) North, Range One (1) East, and containing in all 235.21 acres, more or less,

Acres 235.61

Total Acreage 1,366.43

Area 4 - Leases

1. Lease dated April 19, 1951, from Fred Heim, a single man, Lessor, to The Eagle-Picher Mining and Smelting Company, Lessee, upon the following described lands:

The Southeast quarter of Section Twenty-nine (29), Township Two (2) North, Range One (1) East of the 4th P.M., Lafayette County, Wisconsin, containing 160 acres,

Acres 160.00

Total Acreage 160.00

EXPLORATION PROJECT CONTRACT
THE EAGLE-PICHER COMPANY
DOCKET NO. DMEA-2399

EXHIBIT "A"

Description of the Work

The purpose of the exploration work is to explore for a zinc-lead orebody. All exploration work will be done by churn drilling from the surface. The drilling shall be done in four areas of work. Each area of work is described in Appendix I and is identified by numbers 1 through 4 on the attached map. The work in each area is divided into three classifications of drilling as follows: First, preliminary pattern drilling; second, structure drilling; and third, drilling to delineate the orebodies.

The preliminary pattern drilling work in the four areas is indicated on the attached map, where the approximate drill hole locations are shown by circles and the approximate depth in feet to be drilled is shown at each location. This drilling, which will be done first, may be conducted simultaneously in all four areas of work.

Drilling under the second and third classifications in any area of work will be done only in the event that the applicant and the Government mutually agree that results from drilling under the preceding classification warrant the continuation of such drilling. This drilling may be conducted simultaneously in all four areas of work.

Structure drilling will follow the pattern drilling and will be laid out to outline more closely the structures and extent of mineralization which have been disclosed by pattern drilling. Twice as many drill holes have been allotted for structure drilling in each area of work as have been allotted for pattern drilling. The average depth of the structure drill holes shall be the same as the average depth of the pattern drill holes. The locations of these holes shall be approved in advance by the Government.

Drilling to delineate the ore bodies will be done after structure drilling is completed. One drill hole for every 6 acres of land is allotted to each area of work for this purpose. The average depth of this type of drill hole shall be the same as the average depth of the pattern drill holes. The locations of these holes shall be approved in advance by the Government.

All drill holes shall be plugged.

Estimated Costs of Project

Area 1

Preliminary pattern drilling - 11 churn drill holes, 3,020 ft. @ $1.50 per foot	$ 4,530.00	
Structure drilling - 22 churn drill holes, 6,040 ft. @ $1.50 per foot	9,060.00	
Drilling to delineate the ore bodies, 31 churn drill holes, 8,510 ft. @ $1.50 per foot	12,765.00	
Total cost for churn drilling, Area 1	$26,355.00	
Plugging drill holes, 64 holes @ $5.00 per hole	320.00	
Total cost, Area 1		$ 26,675.00

Area 2

Preliminary pattern drilling, 19 churn drill holes, 3,985 ft. @ $1.50 per foot	5,977.50	
Structure drilling - 38 churn drill holes, 7,970 ft. @ $1.50 per foot	11,955.00	
Drilling to delineate the ore bodies - 95 churn drill holes, 19,925 ft. @ $1.50 per foot	29,887.50	
Total cost for churn drilling, Area 2	47,820.00	
Plugging drill holes, 152 holes @ $5.00 per hole	760.00	
Total Cost, Area 2		$ 48,580.00

Area 3

Preliminary pattern drilling - 53 churn drill holes, 7,575 ft. @ $1.50 per foot	11,362.50	
Structure drilling - 106 churn drill holes, 15,150 ft. @ $1.50 per foot	22,725.00	

G U A R A N T Y

In consideration of the waiver by the United States of America of the requirement of an Owner's Consent to Lien agreement as set forth in Article 2(b) of the attached Exploration Project Contract between the Operator and the United States of America, the Operator hereby guarantees the payment to the United States of America of royalties, as specified in Article 6 of said Contract, upon any and all ore discovered or developed as a result of said Contract, which is mined within 10 years from the date of said Contract, by the Operator or its successor in interest; Provided, That in the event the Operator, without consideration, surrenders and terminates its leasehold interests in all of the tracts included in the description in Article 2 of the contract form, and terminates all of its mining operations in said property, then and in that event all liability of the Operator under this Contract shall cease. If for any reason the net smelter returns from operations that would be subject under said Contract to such payments to the United States of America are not available as a means of measuring the amount of such payment, then the Operator agrees and undertakes to make such payment according to the best estimates of the amount that can reasonably be made, and in the event of dispute as to such estimate, the Operator agrees that the determination thereof by either the Administrator of Defense Minerals Exploration Administration or by the Director of the United States Bureau of Mines shall be final and binding upon

the Operator; provided, however, that should the Operator, prior to accrual of any obligation to pay under this guaranty, furnish to the United States the Owner's Consent to Lien agreement required by Article 2(b) of said Contract this covenant shall thereupon become fully satisfied and of no further force or effect.

Dated: June 25, 1952.

EAGLE-PICHER COMPANY

By [signature]

Drilling to delineate the ore bodies - 228 churn drill holes - 32,586 ft. @ $1.50 per foot	$48,879.00	
Total cost for churn drilling, Area 3	$82,966.50	
Plugging drill holes, 387 holes @ $5.00 per hole	1,935.00	
Total Cost Area 3		$ 84,901.50

Area 4

Preliminary pattern drilling - 7 churn drill holes, 860 ft. @ $1.50 per foot	1,290.00	
Structure drilling - 14 churn drill holes, 1,720 ft. @ $1.50 per foot	2,580.00	
Drilling to delineate the ore body - 27 churn drill holes, 3,317 ft. @ $1.50 per foot	4,975.50	
Total cost for churn drilling, Area 4	8,845.50	
Plugging drill holes, 48 holes @ $5.00 per hole	240.00	
Total Cost, Area 4		9,085.50
Chief field geologist at not to exceed $425.00 per month for a maximum of 18 months	7,650.00	
Field geologist at not to exceed $397.00 per month for a maximum of 18 months	7,146.00	
Total Cost, Geologists		14,796.00

NOTE: For the purposes of this contract, one month's services of a geologist represents a unit of work. The Government will contribute to these agreed, estimated costs, as they accrue, in lieu of actual costs.

Total cost of the project	$184,038.00
Government participation @ 50%	$ 92,019.00

Form MF-103
(April 1951)

U. S. DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION

Budget Bureau No. 42-R1035.
Approval expires 6-30-51.

APPLICATION FOR AID FOR AN EXPLORATION PROJECT PURSUANT TO MINERAL ORDER 5, UNDER DEFENSE PRODUCTION ACT OF 1950

DO NOT FILL IN THIS BLOCK

Docket No. DMEA-2399

Date received 3-3-52

Participation

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
MAR 3 - 1952

The Eagle-Picher Company
Mining and Smelting Division
First National Bank Building
Miami, Oklahoma

Name and address of applicant

Date

FILL IN THIS BLOCK

Date of application February 25, 1952

Estimated cost

Mineral or metal Lead and zinc

Percentage of Government participation ~~50%~~

Location of ~~mine~~ project - See below

Eagle-Picher Project No. 1

Date of filing MF-100

DMA Docket Number, if available

INSTRUCTIONS

Read Mineral Order 5, Regulations Governing Government Aid in Defense Projects, before completing this application. Submit four signed copies of the application to Defense Minerals Administration, Department of the Interior, Washington 25, D. C., or to the nearest field executive officer thereof, with your name and address on each sheet of the application and all accompanying papers. If any question is inapplicable, or if you cannot answer it, so state on the form. Where the space provided for answer is insufficient, answer on a separate sheet, annex it to the application form, and refer to it in space for answer. If the application is approved, you will be presented with an exploration project contract on Form MF-200, for your signature.

Answer to all questions which seem applicable are made on Exhibit A attached and made a part hereof.

THE APPLICANT

*1. Is applicant an individual, partnership, or corporation?
*2. If a partnership, state names and addresses of partners.
*3. If a corporation, state names and addresses of officers, directors, and five largest stockholders.
*4. Describe the mining and general business experience of (*a*) the applicant, and (*b*) the person or persons who will manage the project.
*5. Are you the owner or the lessee of the property?
6. If owner, state what claims, liens, or encumbrances, if any, are against the property.
7. If lessee, attach a copy of the lease and state if it is in good standing.

NOTE.—It will be necessary to procure and attach to the exploration project contract agreements of claimants, lienors, encumbrances and lessors subordinating their interests in the property to the interest of the Government under the contract.

8. Furnish current financial statement, showing assets and liabilities, and a profit and loss statement.
9. How much money is applicant prepared to invest in proposed project? Is it sufficient to pay your part of the cost of the project as detailed in question 23 of this application form, in accordance with the regulations on Government participation (Section 9 of Mineral Order 5)?

*If you have already answered these questions on MF-100, you are not required to answer the questions for this application.

16—64067-1

THE PROPERTY

10. (*a*) Give a description of the real property that will be in any way involved in the exploration project, including any existing mine or operating property.
    (*b*) Give the legal description of the exact parcel, plot, or area upon which the exploration is to be conducted.

    NOTE.—If both areas are the same, so state. The only obligation to repay the Government is from the net earnings from any commercial discovery made in the area specified in (*b*) above in which the exploration is to be conducted, and the expenditure of funds which may be charged as costs of the project must be limited to that area or to work necessary to perform the exploration in that area.

*11. State the present and former names of the property, if any.

*12. State, in detail, the location of the property with reference to towns, railroads, roads, shipping points, including distances and directions and kinds and conditions of roads.

*13. State source and quantity of water available for operations and its sufficiency at all seasons.
State amount of power to be used, rate per hour or other cost, and source.

*14. Describe any existing useable facilities, equipment, buildings, or structure now on the property that will be devoted to the exploration work.

15. State in detail how the ore could be shipped and how and where milled.

*16. History:
    (*a*) Give a statement, as complete as possible, of previous exploration, development, operation, and production of property, with reasons for any past suspensions of operations.
    (*b*) State briefly the known history and production of adjoining and neighboring properties.
    (*c*) Furnish any available (private) reports that may apply to this application, including results of mine examinations, recommended exploration and development, and metallurgical investigations.

*17. Production:
    (*a*) If mine is in production, furnish the following information:

	Tons per day	*Grade or analysis*	*Cost per ton*	*Net value per ton*
(1) Mining				
(2) Milling				
(3) Shipped or sold				

*18. Ore or mineral reserves: (If property is or has been operating.)
    (*a*) Describe the ore or mineral deposits briefly.
    (*b*) Submit available maps and assay data.
    (*c*) Give estimated tonnage and grade of each class of ore reserves.

19. State any conditions or circumstances regarding the property not sufficiently brought out by the foregoing questions.

THE EXPLORATION

20. For what mineral or minerals and for what types of deposits and ores will the exploration be conducted?

21. Describe briefly, but concisely, the proposed work and the estimated time required to complete it.

    NOTE.—The Government will not participate in a project that will require more than 2 years to complete.

22. Furnish statement of the geological basis of the project with particular emphasis on factors leading the operator to expect the finding of commercial ore bodies. This statement should be accompanied by supporting maps such as geological maps, maps of the proposed openings and assay maps, sample lists, and other pertinent data.

THE REQUIREMENTS AND COSTS

23. Tabulate in the form of an itemized statement with a sum for each item the estimated requirements and costs of the project so that the total will give the estimated cost of the project in which the Government will participate, as follows:
    (*a*) Labor, by numbers and classes (miners, muckers, millmen, etc.), with wages of each.
    (*b*) Supervisors, by numbers and positions, with salaries of each.
    (*c*) Cost of necessary repairs to existing facilities, structures, and buildings.
    (*d*) Cost of necessary installation or construction of additional facilities, structures, and buildings.
    (*e*) Cost of items of equipment, not now owned by the applicant which must be purchased for operations at a cost of $50 or more each.
    (*f*) Cost of rental for equipment which the operator proposes to rent.
    (*g*) Rental value of items of equipment which the operator now owns and which will be devoted to the work.
    (*h*) Cost of materials and supplies, including items of equipment costing less than $50 each.
    (*i*) Cost of power, water, utilities, and any other items not provided for above.

24. Furnish a time schedule of the project, stated in terms of months after project is approved, showing progress expected to be accomplished and the money expected to be spent.

CERTIFICATION

The undersigned company, and the official executing this certification on its behalf, hereby certify that the information contained in this form and accompanying papers is correct and complete to the best of their knowledge and belief.

The Eagle-Picher Company
(Name of company)

By [signature] Elmer Isern
(Signature of authorized official)

Mining and Smelting Division
February 25, 1952
(Date)

Vice-President
(Title)

Title 18, U. S. Code (Crimes), Section 1001, makes it a criminal offense to make a willfully false statement or representation to any department or agency of the United States as to any matter within its jurisdiction.

*Same as footnote on page 1.

16—64067-1 U. S. GOVERNMENT PRINTING OFFICE

Exhibit A
The Eagle-Picher Company
Project No. 1

1. The applicant, The Eagle-Picher Company, is a corporation organized and existing under the laws of the State of Ohio, with main offices at American Building, Cincinnati, Ohio. This application is being made by the Mining and Smelting Division of the above named corporation, which division of the Company maintains its main office at First National Bank Building, Miami, Oklahoma. All correspondence in connection with this application should be with the applicant at the Miami, Oklahoma address.

3. The name and address of the officers, directors and five largest stockholders of The Eagle-Picher Company are as follows:

Officers:

Joel M. Bowlby, Chairman of Board
American Building, Cincinnati, Ohio

T. Spencer Shore, President
American Building, Cincinnati, Ohio

William R. Dice, Vice-President and Comptroller
American Building, Cincinnati, Ohio

Carl A. Geist, Vice-President, Secretary & Treasurer
American Building, Cincinnati, Ohio

Elmer Isern, Vice-President
Miami, Oklahoma

Miles M. Zoller, Vice-President
American Building, Cincinnati, Ohio

Carl F. Hertenstein, Assistant Treasurer
Twelfth and Vine Streets, Cincinnati, Ohio

Richard Serviss, Assistant Secretary
American Building, Cincinnati, Ohio

Kenneth E. Kimmel, Assistant Secretary
Miami, Oklahoma

Board of Directors:

Joel M. Bowlby, Chairman
Carl A. Geist
Carl F. Hertenstein
Elmer Isern
Stanley R. Miller
30 Pine Street, New York, N. Y.
William H. Mitchell
Cincinnati, Ohio
John J. Rowe
Fourth and Walnut Streets, Cincinnati, Ohio
T. Spencer Shore
Miles M. Zoller
George A. Spiva
Spiva Building, Joplin, Missouri

Five Largest Shareholders:	Shares
Carl F. Hertenstein c/o The Western Bank & Trust Co. Twelfth and Vine Streets Cincinnati, Ohio	64,282
Katherine H. Watson 1625 Beach Drive St. Petersburg 4, Florida	23,280
Baker, Weeks & Harden One Wall Street New York, N. Y.	18,248
Carolyn L. Moser c/o Trust Department The Western Bank & Trust Co. Twelfth and Vine Streets Cincinnati, Ohio	17,130
Merrill, Lynch, Pierce, Fenner & Beane 70 Pine Street New York, N. Y.	15,861

4. The Eagle-Picher Company has engaged in the business of exploration, mining, smelting and fabrication of lead and zinc products since about the year 1920. It operated in the Tri-State Lead and Zinc District of Miami, Oklahoma and Kansas for many years under the name of The Eagle-Picher Lead Company. Since about 1930 its lead and zinc mining and smelting operations have been carried on through its wholly owned subsidiary, The Eagle-Picher Mining and Smelting Company. The subsidiary company was dissolved November 30, 1951, and all its operations, including its assets and liabilities, were taken over by the parent company. Since that date the mining and smelting operations of the Company have been continued under the name of The Eagle-Picher Company, (Mining and Smelting Division), Miami, Oklahoma. The Company has extensive lead and zinc mines in the Tri-State District of Kansas, Oklahoma and Missouri. It operates lead and zinc mines in the vicinity of Tucson, Arizona, in the province of Chihuahua, Mexico and in the County of Jo Daviess, Illinois, and Grant and Lafayette Counties, Wisconsin. It operates a large zinc and lead central concentrating plant near Picher, Oklahoma, a lead and zinc central concentrating plant near Galena, Illinois, a central concentrating plant near Tucson, Arizona, a concentrating plant at its Mexican properties, as well as various lead and zinc smelters at Henryetta, Oklahoma, Galena, Kansas, East Chicago and Hillsboro, Illinois. The Mining and Smelting Division of the Company has carried on extensive exploration operations in the Tri-State District of Kansas, Oklahoma and Missouri for many years. For the past several years it has carried on extensive exploration in Jo Daviess County, Illinois and Grant and Lafayette Counties, Wisconsin, as well as exploration in other localities.

5. The applicant holds title and the right to mine the properties described in this application as Lessee under leases granted directly to its subsidiary, The Eagle-Picher Mining and Smelting Company, by the owners of the land. The leases as to each property are exactly the same, except as to dates and names of lessors and property involved, and except for an occasional very minor modification of no significance whatever to this application. Therefore, in the interest of brevity, in Exhibit B attached hereto and made a part hereof, we identify each lease as to landowners, date and property covered and we also attach a copy of one of the leases marked Exhibit C and made a part hereof, as representative of all the leases involved. All leases referred to in this application are in good standing.

7. We propose to use, in lieu of subordination agreements from the landowners, the form of Guaranty Contract recently approved by the Department for use by Vinegar Hill Zinc Company in its proposed contracts with the Government covering the same activity in the Tri-State Area of Wisconsin, Illinois and Iowa.

8. This application is one of four applications covering four different projects which applicant is filing at this time with DMPA. In lieu of the request for current financial statement and a profit and loss statement, we are submitting along with all various applications one copy of our annual statement for the fiscal year ending November 30, 1950. We trust that this may be acceptable for the purpose of furnishing the information described. The annual statement of our Company for the fiscal year ending November 30, 1951, is not available as yet, but if desired we can forward it to the Department as soon as it is available, which should be very soon, or furnish such other information of that nature immediately as the Department may request.

9. The applicant has ample funds which it is prepared to invest in the proposed project in accordance with the representations herein.

12. The properties described herein are located approximately 11 miles north of Galena, Illinois and near State Highway 80. The closest shipping point, we believe, is Galena, Illinois. Certainly there are ample roads and shipping facilities convenient to the area involved.

13. There is an abundance of underground water throughout the area involved in this application, sufficient to carry on any exploration hereunder and sufficient to any mining or beneficiation which may result from explorations hereunder. The same is true of electric power.

15. In the event any ore bodies are developed and mined by the applicant as a result of explorations hereunder, it now maintains and operates an efficient and modern lead and zinc concentrating plant approximately 7 miles north of Galena, Illinois at which all its ores mined from lands involved in this project can be beneficiated.

20. In exploration under this application, if approved, applicant will be searching for lead and zinc sulphide deposits of the nature common to that area.

21. All exploration will be conducted by churn drilling from the surface and such drilling is divided into three classifications: First, preliminary pattern drilling, second, structure drilling, and third, drilling to delineate the ore bodies.

The preliminary pattern drilling is indicated on the map enclosed herewith and marked Exhibit D, where the drill hole locations are shown by red circles and the depth in feet to be drilled is shown under each location.

Structure drilling will follow the pattern drilling and will be laid out to outline more closely the structures and areas of mineralization which may be disclosed by pattern drilling. Twice as many drill holes have been allotted for structure drilling on each lease as are shown for pattern drilling on the map. The average depth used is the same as the average depth of the pattern drilling.

The drilling to delineate and/or block out the ore bodies will be done after the structure drilling is completed, and one drill hole per 6 acres of area is assigned to each project for this purpose. The average depth used is the same as the average depth of the pattern drilling. The drilling allocated for each classification is as follows:

Summary of Drilling

Average Depth of Holes - 274.54 feet

	Number of Drill Holes	Footage
1. Preliminary Pattern Drilling	11	3,020
2. Structure Drilling	22	6,040
3. Drilling to delineate ore bodies	31	8,511
Totals	64	17,571

It is understood that the drilling under the second and third classifications will be done only in the event, in the opinion of applicant, results from drilling under the preceding classifications recommend such further activity and expenditure.

Applicant estimates that it will require a period of 18 months to complete drilling under all the classifications noted. The estimated time of first classification from time drilling begins is 5 months. For the second classification 9 months from the beginning of drilling and the third classification, 18 months from the beginning of drilling.

22. Briefly stated, applicant recommends the area herein described for prospecting for the following reasons:

1. The favorable ore horizons are known to be below the zone of oxidation in these lands.

2. The areas within a mile or two north, south and east of the areas described herein contained ore bodies in the deep favorable zinc horizons.

3. Strategic Minerals Investigations Preliminary Map 3-216, Plate 2, Sheets 1 and 2, published by the U. S. Geological Survey indicate favorable structures on these lands which have been but little prospected.

23. All drilling required under this project will be contracted to independent contractors at a cost per foot for drilling now estimated at One Dollar and Fifty Cents ($1.50) per foot. This cost might increase during the 18 months' period in accordance with the additional cost which might accrue in the same period in other lines of endeavor. However, we anticipate that there will be no substantial increase in such cost within the period necessary to complete this project. All exploration carried on hereunder will be supervised and directed by the Geological Department of the applicant and the drilling will be under the immediate supervision of two of our field geologists. The cost of the project will be the cost of the contract drilling, cost of plugging holes and the salaries of the two field geologists immediately in charge of the project.

On the basis of doing the full amount of drilling in a period of 18 months, the averaged monthly drilling schedule, cost to DMPA per month, and total maximum cost to DMPA is shown as follows:

Total maximum footage for project: 17,571

Averaged footage to be drilled per month: 976

	Estimated Cost Per Month	Estimated Total Cost For 18 Month Period
Drilling at $1.50 per foot	1,464.25	26,356.50
Plugging holes at $5.00 each	17.78	320.04
Salary of Geologists*	130.55	2,349.90
	$1,612.58	$29,026.44
50% to DMPA	$ 806.28	$14,513.22

* Applicant will place this project as well as others under direct supervision of a Chief Field Geologist and a Field Geologist, at salaries of $425.00 and $397.00 per month respectively. These salary costs are allocated to all exploration projects on basis of footage drilled.

Exhibit B
The Eagle-Picher Company
Project No. 1

LEASES INCLUDED IN PROJECT

1. Lease dated March 26, 1951, from Raymond B. Houtakker, et ux, Lessors, to The Eagle-Picher Mining and Smelting Company, Lessee, upon the following described lands:

   The North half of the Fractional Northwest quarter of the Northwest quarter of Section Seven (7); and the Fractional Southwest quarter of the Southwest quarter of Section Six (6); all in Township One (1) North, Range One (1) East, Lafayette County, Wisconsin,

   Acres 54.97

2. Lease dated November 1, 1951, from John O. Gray, et ux, Lessors, to The Eagle-Picher Mining and Smelting Company, Lessee, upon the following described lands:

   The South half of the Fractional Northwest quarter of the Northwest quarter (18.18 acres), and the North 9.52 acres of the Fractional Southwest quarter of the Northwest quarter; all in Section Seven (7), Township One (1) North, Range One (1) East of the 4th P.M., LaFayette County, Wisconsin, and containing in all 27.70 acres,

   Acres 27.70

3. Lease dated April 2, 1951, from Henry C. Gray, et ux, Lessors, to The Eagle-Picher Mining and Smelting Company, Lessee, upon the following described lands:

   The South twenty-seven (27) acres, more or less, of the Fractional Southwest quarter of the Northwest quarter; and the Fractional Northwest quarter of the Southwest quarter, containing 36.68 acres, and the Fractional Southwest quarter of the Southwest quarter, containing 36.84 acres; all in Section Seven (7), Township One (1) North, Range One (1) East of the 4th P.M., Lafayette County, Wisconsin, and containing in all 100.52 acres, more or less,

   Acres 100.52

Total Acreage 183.19

Exhibit C
The Eagle-Picher Company
Project No. 1

MINING LEASE

THIS AGREEMENT, Made and entered into this 26th day of March, 1951, by and between Raymond B. Houtakker and Bernice C. Houtakker, husband and wife, Cuba City, Wis., hereinafter referred to as Lessors, and THE EAGLE-PICHER MINING AND SMELTING COMPANY, a Delaware corporation, hereinafter referred to as Lessee,

WITNESSETH: That,

All the covenants and obligations hereof to be kept and performed on the part of Lessors shall be deemed to be both joint and several as to such Lessors, except that any notices or demands to be made by Lessors shall be signed by all of said Lessors.

Lessors, in consideration of the sum of One Dollar ($1.00) to them in hand paid, the receipt of which is hereby acknowledged, and the covenants and agreements to be kept and performed by Lessee, its sublessees, successors or assigns, the sufficiency of which to support each and every covenant, right and privilege herein granted is hereby acknowledged, and the royalties to be paid Lessors, all as hereinafter set forth, have and by these presents do demise, lease and let to said Lessee, its successors and assigns, for the purpose of searching and prospecting for and mining lead and zinc ores and all other valuable minerals and metals, excepting coal, oil, and gas, the following described real estate, to-wit:

The North half of the Fractional Northwest quarter of the Northwest quarter of Section Seven (7); and the Fractional Southwest quarter of the Southwest quarter of Section Six (6); all in Township One (1) North, Range One (1) East, Lafayette County, Wisconsin,

for the purpose hereof considered and treated as one parcel, for the term of ten (10) years from and after the date hereof, together with the option if this lease is in force and effect on such expiration date of an extension or renewal for a like period of time thereafter; all upon the following terms and conditions, to-wit:

1. Lessee agrees to enter upon said lands leased hereby within ninety (90) days from the date hereof, and commence prospect drilling or mining operations, including such installation of such pumps as may be found necessary to handle the water that may be encountered, and thereafter conduct either prospecting or mining operations at least nine (9) months out of each year under the terms hereof, which operations shall not be suspended for more than thirty (30) days at any one time during the nine-month's working period without written permission of Lessors; Provided, however, Lessee may, at its election, pay to Lessors the sum of Twenty-five Dollars ($25.00) on or before the tenth day of each calendar month in lieu of the foregoing provisions requiring prospecting or mining on the property described herein, and such payments shall be considered as advance royalty and be deducted from the royalty payments hereafter specified herein as and when mining production is actually begun on said property; and provided, further, that Lessee shall not be required to conduct pumping, prospecting or mining operations on said lands during such times as the market price of Spelter shall be below six cents (6¢) per pound on the East St. Louis, Illinois metal market, cessation of work for this reason in no event to exceed a period of two years at any one time.

2. Lessee shall furnish to Lessors a complete log of each and every hole drilled on said lands, and where cuttings from drill holes are assayed, a copy of the assay, and at reasonable times upon request from Lessors, but not oftener than twice in any one year, a map showing definite location of each hole. Upon the completion of each hole, unless same is desired by Lessee to be kept open in connection with contemplated mining operations, Lessee shall pay to Lessors the sum of Five Dollars ($5.00) as compensation to Lessors for plugging or filling such hole, which payment shall be also in consideration of releasing Lessee from further liability or obligation in connection with the existence or condition of said hole, unless same shall thereafter be reopened by Lessee.

3. Lessee shall mine said lands in a good, thorough and workmanlike manner; shall keep all shafts cribbed and drifts timbered or otherwise supported where in the judgment of Lessee same shall appear to be necessary, and shall not remove such timbers or supports without written permission of Lessors, but shall not be liable for damages in event of caving of said lands, or any portion thereof, by reason of failure of timbers placed or pillars left to support same. Lessee shall also have the right to occupy and use so much of said lands as in its judgment may be needed to properly conduct prospecting, mining and milling operations hereunder. Lessee shall have the right to remove any buildings, structures, machinery, or equipment placed on said lands by it, at any time during the term hereof, or within One (1) year after the expiration hereof and without any rental for the use of such premises therefor. The possession of said lands for all purposes not consistent with and which do not interfere with prospecting, mining and milling hereunder, and all surplus water not used for mining operations are reserved to Lessors.

4. It is agreed that Lessee shall have the right to use the drifts and shafts of this land to haul and/or raise the ores mined from adjoining or neighboring lands, or to haul and raise ores mined from this land through drifts and shafts located on adjoining or neighboring lands. In either event Lessee shall exercise extreme care to prevent a commingling of ores from this land with ores from other lands before such ores reach the mill where they are to be milled. In the event that Lessee desires to haul underground and/or raise ores mined from adjoining or neighboring lands through drifts and shafts on this land, and Lessee is not at the same time mining ores on this land, it shall pay to Lessors the sum of Fifty Dollars ($50.00) per month for such use of Lessors' land.

5. Ores and minerals mined from this land may be cleaned and prepared for market thereon in an independent operation, or at a central concentrating plant located on this or other lands within the Tri-State Area of Illinois, Wisconsin and Iowa, separately or in connection with other ores, as Lessee may elect, and if cleaned at such a central concentrating plant shall be weighed, assayed, treated, handled and the net recoverable lead and zinc concentrates determined, disposed of, accounted for, and royalty due Lessors thereon determined, in accordance with weighing, sampling and concentrating methods recognized in the industry as practical and efficient at the time of receipt at the mill. Nothing herein shall be construed so as to permit Lessee to construct and operate a central concentrating plant on the lands herein described, without the express written consent of Lessors. Complete and permanent records shall be made and kept of said entire transaction, which shall be open to inspection and audit of Lessors or their agent at all reasonable times, and Lessors or their agents may likewise be present and observe said operation at all reasonable and seasonable times. Subject to the payment of royalty hereinafter provided, all lead and zinc concentrates or other recoverable values shall belong to Lessee. Tailings and other residues resulting from milling, in an independent operation, on the lands herein described of ores mined therefrom shall belong to Lessors, subject to Lessee's right to further treat same for recoverable minerals or metal values, during the life of this Lease. If ores mined and raised on said lands herein leased are treated and cleaned at a central concentrating plant on this or other lands, tailings and other residues resulting from said ores shall belong to Lessee.

6. Lessee shall on or before the tenth day of each calendar month pay to Lessors as rent or royalty or deposit same in _____ Bank at _____, or such other Bank as all of said Lessors may in writing hereafter designate, (such Bank, or Banks, being hereby designated and constituted as Agent of Lessors to receive such payments, and deposit in such Bank to be deemed and considered payment to Lessors), Seven and one-half per cent (7½%) of the market value of the recoverable lead and zinc concentrates contained in the ores mined and milled and sold on the premises, or taken therefrom for milling, during the preceding calendar month, with a statement showing the amount, quality, kind and weight, and the value thereof. "Concentrates" is hereby defined to mean the salable zinc and/or lead mineral as recoverable at the mill or concentrating plant where treated, including in addition to lead or zinc metal any and all other metals, or elements contained in such concentrates, whether or not such metals or elements are by presently known or by future discovered methods of recovery rendered valuable. "Market Value" is hereby defined for the purposes hereof to be, (a) the value of concentrates resulting from ores mined from lands herein leased and milled in an independent operation on the premises as based upon the market price established in the Tri-State District of Illinois, Wisconsin and Iowa for concentrates of a similar grade and

kind and prevailing at the time said concentrates are disposed of; and/or, (b) the value of the recoverable concentrates, as shown by assay, contained in the ores taken to a central mill, based upon the market price prevailing in the Tri-State District for similar concentrates at the time said ores are delivered to the Mill for treatment. Lessors shall have no interest in any bonus or premium paid to Lessee by the United States Government or any agency thereof on the ores and minerals produced from the premises nor shall any royalty be paid on said bonus or premium. The same rate of royalty shall be paid in the same manner on all iron concentrates recovered and marketed separately by Lessee from the ores mined from said premises hereunder.

7. During the prospecting period as herein provided for, Lessee shall keep all gates on the premises closed and shall pay Lessors for actual damage to growing crops caused by prospecting operations hereunder. In the event that mining operations are commenced on said premises Lessee agrees upon written request from Lessors to construct cattle guards in place of gates used by Lessee in entering or leaving said property. It is further agreed that Lessee will not sink any shaft or erect any mill within three hundred feet (300') of any dwelling or other principal farm buildings located on the premises herein described without the written consent of Lessors.

8. Lessors agree to pay their proportionate part of any taxes assessed or levied by the State in which said lands are located, or any subdivision thereof, or by the Federal Government, against ores or minerals produced from said lands.

9. Lessors hereby warrant and agree to defend the title to the lands leased herein, and Lessee is hereby given and shall at all times during the life hereof have the right, but is not obliged, to pay taxes, mortgages or other liens which may be due and payable in the event of default of payment by Lessors, in which event Lessee shall be subrogated to all the rights of the holder thereof.

10. In case of failure of Lessee to keep and perform the terms and obligations of this Lease, Lessors may give thirty (30) days' written notice of the breach or violation complained of, and if such violation or default is not removed or corrected in said period, provided the same can be remedied within that time, this Lease shall thereupon terminate at the option of Lessors, which shall be evidenced by notice in writing to Lessee, and which remedy shall be exclusive, provided, however, that no forfeiture shall be asserted or based on cessations or delays in operations hereunder when occassioned by fire, riot or civil commotion, strikes, or other labor controversies, operations of law or interference of Government Agencies, acts of nature, or other causes beyond the control of Lessee at the time of occurrence whether or not same could have been foreseen or prevented. Notices in this paragraph provided shall be given by mailing same to Lessee at Miami, Oklahoma, by registered mail and the time of the notice shall start to run from date of delivery.

11. Lessee may at any time and is hereby given permission to surrender this Lease by executing and tendering to Lessors a written release hereof, and from and after such tender shall be released and relieved from all further obligations or liability hereunder except to account for and pay royalties accrued during the life hereof. Tender of such release may be made by delivering same to any Lessor in person or by depositing the same with any official or employee of the Bank at such time acting as Agent for Lessors to receive payment or royalties hereunder; or by recording in the office of the Recorder of Deeds of the County in which said lands are located, of such release, and paying the recording fee. Upon termination of this Lease from any cause, upon request, Lessee will furnish Lessors with a copy of the most recent map in the possession of Lessee showing the underground workings.

State of Wisconsin)
) ss.
County of Grant)

Be it remembered, that on this 27 day of March, 1951, before me, the undersigned, a Notary Public within and for the County and State aforesaid, came Raymond B. Houtakker and Bernice C. Houtakker, who are personally known to me to be the same persons who executed the within and foregoing instrument of writing, and such persons duly acknowledged the execution of the same.

In Testimony Whereof, I have hereunto set my hand and affixed my Notarial seal the day and year last above written.

((SEAL)) (S) Albert J. Eustice
Notary Public

My Commission Expires:

July 5-1953

State of _____)
) ss.
County of _____)

Be it remembered, that on this _____ day of _____, 19___, before me, the undersigned, a Notary Public within and for the County and State aforesaid, came _____, who are personally known to me to be the same persons who executed the within and foregoing instrument of writing, and such persons duly acknowledged the execution of the same.

In Testimony Whereof, I have hereunto set my hand and affixed my Notarial seal the day and year last above written.

_____
Notary Public

My Commission Expires:

_____

State of Oklahoma)
) ss.
County of Ottawa)

Be it remembered that on this 5th day of April, 1951, before me, the undersigned, a Notary Public in and for the County and State aforesaid, came Elmer Isern, President of The Eagle-Picher Mining and Smelting Company, a corporation, who is personally known to me to be such officer, and who is personally known to me to be the person who executed as such officer the within instrument of writing on behalf of such corporation, and such person duly acknowledged the execution of the same to be the act and deed of said corporation and in accordance with the laws of the State of Oklahoma.

In Testimony Whereof, I have hereunto set my hand and affixed my Notarial seal the day and year last above written.

((SEAL)) (S) L. Lucile Bean
Notary Public

My Commission Expires:

My Commission Expires May 19, 1952

12. This Lease shall run to and be binding upon each of the parties hereto, their heirs, legatees, legal representatives, successors, sublessees or assigns, respectively.

In Witness Whereof, the Lessors have hereunto set their hands and seals, and the Lessee has caused its name to be subscribed by its proper officers, the day and year first hereinabove set out.

Signed by Raymond B. Houtakker and Bernice Houtakker

In the presence of:

(S) A. J. Eustice

(S) J. R. Simmons

Witnesses

(S) Raymond B. Houtakker
Raymond B. Houtakker

(S) Bernice C. Houtakker
Bernice C. Houtakker

Signed by _____

In the presence of:

_____

_____

Witnesses

Signed by Elmer Isern and Kenneth E. Kimmel

In the presence of:

(S) Corbin Shouse

(S) Glenn Messersmith

Witnesses

Lessors

The Eagle-Picher Mining and Smelting Company

By (S) Elmer Isern
Elmer Isern, President

((SEAL))

Attest:

(S) Kenneth E. Kimmel
Kenneth E. Kimmel, Assistant Secretary

Lessee

UNITED STATES OF AMERICA
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

APPLICATION FOR SUPPLEMENT TO EXPLORATION PROJECT CONTRACT

Whereas, the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration, hereinafter called the "Government", and The Eagle-Picher Company, an Ohio Corporation, Mining and Smelting Division, First National Bank Building, Miami, Oklahoma, hereinafter called the "Operator", entered into an exploration project contract, dated June 11, 1952, for the exploration for lead and zinc ores, which contract is identified as follows: Docket No. DMEA-2399, Idm-E339; and,

Whereas, Operators estimate of cost, as set forth in said contract, of One Dollar and Fifty Cents ($1.50) per foot for prospect drilling was based upon the cost of drilling prevailing in the locality of the prospecting on the date the application for government assistance was made by the Operator, and is now insufficient in that the prevailing price for prospect drilling in the area had risen to One Dollar and Sixty Five Cents ($1.65) per foot on the date the contract, above described, was entered into by the Government and Operator, and whereas Operator's experience under said contract discloses additional actual cost of the prospecting operation as follows:

Surveying costs	$ .04 per ft. of drilling
Assaying costs	$ .025 per ft. of drilling
Geologists' Transportation	$ .015 per ft.

making a total increase in the cost of drilling under the project set forth in the contract, above described, of Twenty-three cents (23¢) per foot, which additional cost is in no wise reflected in the estimated costs on which said contract was based.

Operator therefore requests that the Government agree that the above described contract be amended and supplemented so as to permit the additional

cost of Twenty-three cents (23¢) per foot of prospect drilling to be reflected therein and that the Government agree to bear Fifty Percent (50%) of such additional costs under the same terms and conditions as cover Government's participation in all other costs as set forth in said contract, and that this supplement be retroactive to date of contract above described.

Date of this application, August 13, 1952.

CERTIFICATION

The undersigned Operator, and the official executing this certificate on its behalf, hereby certifies that the information contained in this application is correct and complete to the best of their knowledge and belief.

THE EAGLE-PICHER COMPANY
(Mining and Smelting Division)

By _____
Elmer Isern, Vice-President

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EAGLE
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PICHER

THE EAGLE-PICHER COMPANY

for the fiscal year ended

NOVEMBER 30, 1951

Annual Report

THE EAGLE-PICHER COMPANY

for the fiscal year ended

November 30, 1951

THE EAGLE-PICHER COMPANY

EXECUTIVE OFFICES, CINCINNATI, OHIO

BOARD OF DIRECTORS

Joel M. Bowlby	William H. Mitchell
Carl A. Geist	John J. Rowe
Carl F. Hertenstein	T. Spencer Shore
Elmer Isern	George A. Spiva
Stanley R. Miller	Miles M. Zoller

OFFICERS

Joel M. Bowlby	Chairman
T. Spencer Shore	President
William R. Dice	Vice President and Comptroller
Carl A. Geist	Vice President, Secretary, Treasurer
Elmer Isern	Vice President
Miles M. Zoller	Vice President
Carl F. Hertenstein	Assistant Treasurer
Richard Serviss	Assistant Secretary
K. E. Kimmel	Assistant Secretary

TRANSFER AGENTS

Guaranty Trust Company of New York, New York, N. Y.
Western Bank & Trust Company, Cincinnati, Ohio

REGISTRARS

The Chase National Bank of the City of New York, New York, N. Y.
The Fifth Third Union Trust Company, Cincinnati, Ohio

The Eagle-Picher Company

TO OUR SHAREHOLDERS:

Sales of The Eagle-Picher Company for 1951 established a new high, and net income was substantially larger than in 1950, despite a material increase in taxes. At the end of the fiscal year, working capital and net worth were at new peaks.

Net sales for the fiscal year ended November 30, 1951 amounted to $82,086,318 compared with $69,123,903 for the preceding year, an increase of 18.7%.

Net profit after taxes for the 1951 fiscal year was $3,703,807 compared with $2,929,296 for 1950.

As at November 30, 1951 and November 30, 1950, net working capital was $18,625,755 and $15,486,220, respectively; and net worth was $26,398,195 and $24,441,894, respectively.

Sales

Net sales of $82,086,318 for the fiscal year ended November 30, 1951 were the largest in the Company's history. Moreover, sales in the second half of the year undoubtedly would have been higher except for the short supply of lead. Throughout this six months period foreign prices were above domestic ceiling prices and during the fourth quarter domestic lead was under Government allocation. As a result, our lead intake in the second half not only fell far short of meeting the requirements of our manufacturing divisions but also was considerably less than our intake for the same period of 1950.

Prices of lead (New York) and zinc (East St. Louis), the Company's two principal commodities, remained at 17¢ and 17½¢ per pound, respectively, from the beginning of the fiscal year until October 2, 1951. From October 2 to the present time these prices have been 19¢ and 19½¢, respectively. The new prices thus affected sales only in the last two months of the fiscal year.

Earnings

Net profit after taxes for the fiscal year ended November 30, 1951 was $3,703,807, equivalent to $4.11 per share on the 900,000 shares outstanding at the year end and to $3.74 per share on the 989,177 shares now outstanding. This compared with net profit of $2,929,296, equal to $3.25 per share reported for the previous year and to $2.96 per share based on the present capitalization.

Gross operating profit before depletion and depreciation in 1951 was $17,020,420 compared to $13,557,652 in 1950, an increase of $3,462,768, and net profit before taxes for these two years was $9,503,807 and $6,399,296, respectively, an increase of $3,104,511. It is significant that most of the increase in gross profit was carried through to net profit before taxes.

Provision for Federal and State taxes on income last year was $5,800,000, of which $900,000 was for excess profits tax. This was an increase of $2,330,000 over the 1950 tax provision. On approximately $3,000,000 of 1951 taxable earnings, Federal taxes on income amounted to 82.3%.

It is extremely difficult for an organization to keep driving for additional sales, increased production, lower costs and greater efficiency, when its members realize that less than 18% of the results of their combined efforts may be translated into net profit after taxes. We believe the Eagle-

Picher organization deserves credit for the job it did in these respects during the past year.

Balance Sheet

Current assets at November 30, 1951 amounted to $24,328,172, including $9,173,684 of cash and governments, and current liabilities were $5,702,417, a ratio of 4.26 to 1.

Working capital of $18,625,755 was the largest in the Company's history and represented an increase of $3,139,535 over that of a year ago.

Total inventories at November 30, 1951 were $7,729,498 compared with $6,889,044 a year earlier, an increase of $840,454. The metal content of inventories at November 30, 1951 was slightly lower than at November 30, 1950.

Investments in and advances to foreign subsidiaries were reduced by $1,057,718 during the year. This was due largely to the repayment of advances by the Mexican subsidiaries. The Mexican investment at the year end stood at $1,598,776 or about 1.5 times the payment made in 1951. The present prospect indicates a further sizable reduction of the advances in 1952.

Net fixed assets at November 30, 1951 totaled $11,102,406 compared with $11,325,613 at November 30, 1950, a decrease of $223,207.

A charge of $1,786,818 to earned surplus eliminated from the balance sheet $1,409,833 cost of stocks of consolidated subsidiaries in excess of their book values at time of acquisition; the balance of $376,985 was a similar item representing the final settlement of a contingent liability, determined by an earnings formula, arising from the purchase of The Orange Screen Company in 1946. Intangible assets are now carried at $1 although the above mentioned write-offs represented actual cash expenditures.

Net Worth

The net worth of your Company at November 30, 1951 was at an all-time high of $26,398,195, equivalent to $29.33 per share on the year end capitalization and to $26.68 per share on the present shares outstanding. Net worth at November 30, 1950 was $24,441,894, after deduction of intangible assets of $1,409,833.

Dividends

The regular quarterly dividend of 30 cents per share was maintained during 1951 and an extra of 30 cents was paid in December, making total cash disbursements of $1.50 for the 1951 calendar year. The same amount was paid in 1950.

In addition, a 10% stock dividend was declared in November and paid in December, after the end of the fiscal year. A total of 89,177 shares was issued and fractions aggregating 823 shares were paid in cash. For each dividend share a total of $18 was transferred from earned surplus, of which $10 was credited to capital stock and $8 to capital surplus. Earned surplus was also decreased by the cash payments made in lieu of fractional shares. The total charge to surplus aggregated $1,625,843; the cash payment amounting to $20,657 was included in dividends payable on the year-end balance sheet and the remainder of $1,605,186 will be reflected in subsequent balance sheets. Earnings of the Company for the 1951 fiscal year were in excess of the above charges as well as all cash dividends declared during the year.

The Board of Directors remains of the opinion that the best interests of shareholders are served by adhering to a conservative regular dividend rate which can be supplemented by payment of extra dividends, in cash or stock, when consistent with earnings and the financial position of the Company.

Shareholders

At November 14, 1951, there were 6,242 shareholders of record owning the 900,000 shares of common stock then outstanding. In comparison, the Company has approximately 5,400 employees. Inasmuch as stock held in a broker's or nominee's name may represent the holdings of many in-

dividual shareholders, the number of owners greatly exceeds the number of employees.

Shareholders of the Company reside in every state of the Union and in several foreign countries. Over 62 per cent of them own less than 100 shares of stock and the average holding is about 145 shares. They are to be found in every walk of life and fall in the following general classifications:

	No. of Holders	No. of Shares
Men	2,864	355,940
Women	2,362	236,188
Joint Tenants	612	33,644
Brokers & Nominees	197	201,821
Fiduciaries, Institutions, etc.	207	72,407
	6,242	900,000

Directors and Officers

It is with deep regret that we report the death on March 21, 1951 of Mr. Robert E. Mullane who had served as a director of The Eagle-Picher Company since 1932. His sound business judgment contributed much to the Company's welfare.

We were saddened by the passing on November 15, 1951 of Mr. Vincent H. Beckman who had been a member of the Board of Directors since 1929. He rendered loyal and constructive service to the Company and his loss is deeply felt.

It is with sincere sorrow that we report the death of Mr. Arthur E. Bendelari on February 10, 1952. An eminent mining engineer, Mr. Bendelari joined our Company in 1915 as General Manager of the Mining Division. He was President of the Company from 1927 to 1937 and continued as a director until his retirement in March, 1951. He was greatly beloved by all members of our organization.

On November 23, 1951, Mr. Elmer Isern and Mr. Miles M. Zoller were elected Vice Presidents of the Company and Mr. K. E. Kimmel was elected Assistant Secretary. Mr. Isern is Manager of the Mining & Smelting Division and has been a director of the Company since 1946. Mr. Zoller is Manager of the Pigment Division and was elected a director in 1943.

Outlook

It is always difficult to foresee what may happen in any year, and 1952 certainly is no exception. Business activity in general should be maintained on a high level during the present year as a result of full employment and high individual incomes, increased expenditures by the Government for national defense, and large capital expenditures by corporations. The business pattern will not be uniform, however, and dislocations will continue to occur in some industries because of Government restrictions, allocation of scarce materials, and possibly labor surpluses or shortages. Many of the industries we serve should fare well but others may curtail operations.

We believe that earnings of your Company for the 1952 fiscal year will be satisfactory. The diversity of the Company's products and their uses should sustain physical volumes in a period of high over-all activity. The recent decline in foreign lead and zinc prices was anticipated and has merely reduced their premiums over domestic prices.

The Company has a relatively favorable tax base and its excess profits tax credit for 1952 is estimated at about $6,500,000. The financial position is strong and will serve not only as a buttress against possible recessionary tendencies but also will permit expansion of our business as favorable opportunities arise.

The Eagle-Picher Company continues to enjoy good management-employee relations and we shall strive to maintain this relationship in the future.

By order of the Board of Directors.

JOEL M. BOWLBY
Chairman

T. SPENCER SHORE
President

CINCINNATI, OHIO
FEBRUARY 15, 1952

THE EAGLE-PICHER COMPANY

CONSOLIDATED BALANCE SHEETS A

ASSETS

	1951		1950	
CURRENT ASSETS:				
Cash		$ 7,931,052		$ 5,910,269
U. S. Government obligations — at cost (market value $1,243,233 at November 30, 1951)		1,242,632		620,000
Accounts and notes receivable	$ 7,765,945		$ 8,583,286	
Less: Allowance for doubtful receivables	340,955	7,424,990	367,894	8,215,392
Inventories of raw materials, work in process, finished products and supplies:				
Ores, metals and metal bearing products — Note 1	3,939,603		3,553,546	
Other products, merchandise for resale, and manufacturing materials and supplies — at cost	3,789,895	7,729,498	3,335,498	6,889,044
TOTAL CURRENT ASSETS		24,328,172		21,634,705
OTHER ASSETS:				
Repair parts and maintenance supplies	1,171,479		965,975	
Investment in and advances to associated company and sundry securities — at or below cost	335,494		395,594	
Miscellaneous accounts and advances	363,623	1,870,596	280,212	1,641,781
INVESTMENT IN AND ADVANCES TO FOREIGN SUBSIDIARIES NOT CONSOLIDATED—Note 2:				
Mexican subsidiaries	1,598,776		2,611,629	
Canadian subsidiaries	698,000	2,296,776	742,865	3,354,494
PROPERTY, PLANT AND EQUIPMENT:				
Mining lands and leases; mills, smelters and fabricating plants; and railroad and miscellaneous properties	42,265,362		42,148,094	
Less: Allowance for depletion, depreciation, etc.	31,162,956	11,102,406	30,822,481	11,325,613
INTANGIBLE ASSETS:				
Cost of stocks of consolidated subsidiaries in excess of book value, at dates of acquisition, of net assets acquired			1,409,833	
Patents, goodwill, etc.	1	1	1	1,409,834
PREPAID AND DEFERRED CHARGES:				
Prepaid freight, insurance, etc.	165,593		192,700	
Miscellaneous deferred charges	530,080	695,673	530,573	723,273
		$40,293,624		$40,089,700

The accompanying notes are an in

AND DOMESTIC SUBSIDIARIES

S AT NOVEMBER 30, 1951 AND 1950

LIABILITIES

	1951		1950	
CURRENT LIABILITIES:				
Accounts payable		$ 2,916,600		$ 3,810,061
Dividends payable		560,657		539,749
Purchase money obligation		408,000		103,346
Accrued liabilities:				
Wages and salaries	$ 574,640		$ 451,503	
Taxes — other than taxes on income	191,578		192,094	
Other	792,072	1,558,290	465,134	1,108,731
Provision for Federal and State taxes on income	7,252,229		4,111,598	
Less: U. S. Government obligations	6,993,359	258,870	3,525,000	586,598
TOTAL CURRENT LIABILITIES		5,702,417		6,148,485
PURCHASE MONEY OBLIGATION:				
Payable serially to March 1, 1952, less payment due within one year				31,015
LONG-TERM DEBT:				
3% Notes, payable serially September 1, 1953 to September 1, 1967		7,500,000		7,500,000
RESERVES FOR SELF-INSURANCE:				
Workmen's compensation	551,355		422,017	
Fire and tornado	141,657	693,012	136,456	558,473
STOCKHOLDERS' EQUITY— Notes 3 and 4:				
Capital stock — par value $10 per share:				
Authorized 1,000,000 shares				
Issued and outstanding 900,000 shares	9,000,000		9,000,000	
Surplus:				
Capital surplus	2,050,232		2,050,096	
Earned surplus	15,347,963	26,398,195	14,801,631	25,851,727
		$40,293,624		$40,089,700

tegral part of this balance sheet.

THE EAGLE-PICHER COMPANY AND DOMESTIC SUBSIDIARIES

STATEMENTS OF CONSOLIDATED PROFIT AND LOSS AND EARNED SURPLUS

FOR THE YEARS ENDED NOVEMBER 30, 1951 AND 1950

	1951		1950	
NET SALES		$82,086,318		$69,123,903
PRODUCTION AND MANUFACTURING COSTS		65,065,898		55,566,251
GROSS OPERATING PROFIT — before depletion and depreciation		17,020,420		13,557,652
EXPENSES:				
Selling	$ 2,252,154		$ 2,228,365	
Traffic, warehousing and shipping	782,144		760,862	
General and administrative	2,617,951	5,652,249	2,389,656	5,378,883
NET OPERATING INCOME — before depletion and depreciation		11,368,171		8,178,769
OTHER INCOME		248,729		168,208
		11,616,900		8,346,977
INTEREST EXPENSE:				
Long-term debt	225,000		225,000	
Other	5,201	230,201	6,063	231,063
		11,386,699		8,115,914
DEPLETION, DEPRECIATION, Etc.:				
Provision for depletion and depreciation	1,497,202		1,692,646	
Exploration and prospecting expenses and loss or gain on disposition of capital assets	385,690	1,882,892	23,972	1,716,618
NET PROFIT — before Federal and State taxes on income		9,503,807		6,399,296
FEDERAL AND STATE TAXES ON INCOME:				
Federal normal tax and surtax	4,810,000		3,175,300	
Federal excess profits tax	900,000		215,000	
State income tax	90,000	5,800,000	79,700	3,470,000
NET PROFIT FOR YEAR		3,703,807		2,929,296
EARNED SURPLUS — BEGINNING OF YEAR		14,801,631		13,212,252
		18,505,438		16,141,548
CHARGES TO EARNED SURPLUS:				
Dividends paid and accrued	1,370,657		1,339,917	
Charge arising from write-off of cost of stocks of consolidated subsidiaries in excess of book value, at dates of acquisition, of net assets acquired, including $376,985 accrued November 30, 1951 under terms of purchase agreement	1,786,818	3,157,475		1,339,917
EARNED SURPLUS — END OF YEAR Notes 3 and 4		$15,347,963		$14,801,631

The accompanying notes are an integral part of this statement.

THE EAGLE-PICHER COMPANY AND DOMESTIC SUBSIDIARIES

NOTES TO FINANCIAL STATEMENTS

NOVEMBER 30, 1951

NOTE 1 — Under the base-stock method of inventory valuation, adopted at November 30, 1949, basic quantities of 15,000 tons of lead and 10,000 tons of zinc are valued at fixed prices based on 6.5 cents per pound for lead (New York) and 5 cents per pound for zinc (East St. Louis); the remainder of the inventory metal content is priced at the lower of average cost or market.

Inventories of metal content of lead at November 30, 1951 (which are priced on the base-stock method of inventory valuation as in the previous year) are below established base quantities. Provision of $425,000 has been made in the accounts to cover the excess of the cost of replacing the liquidated quantities at the November 30, 1951 market prices over the fixed prices adopted for base-stock inventory valuation.

NOTE 2 — The equity of The Eagle-Picher Company and Domestic Subsidiaries in foreign subsidiaries not consolidated has increased $1,007,931 since dates of acquisition, as a result of profits, losses and dividend distributions. Of this increase $607,917 accrued during the year ended November 30, 1951.

NOTE 3 — On October 26, 1951 a dividend was declared payable December 10, 1951 in capital stock of the company at the rate of one share for each 10 shares held. Such dividend was paid by the issuance of 89,177 shares and the payment of $20,657 as a cash dividend in lieu of the issuance of fractional shares totaling 823 shares.

On December 10, 1951 a charge of $1,605,186 was made against earned surplus representing $18 per share for the 89,177 shares so issued. Common stock was credited at the par value of $10 per share, or $891,770, and the balance of $713,416 was credited to capital surplus.

NOTE 4 — The 3% notes contain a covenant which so long as any of the notes remain outstanding, restricts the amount which may be declared as dividends (other than those payable in stock of the Company) or applied in the purchase, redemption or retirement of the Company's capital stock. At November 30, 1951 the amount not so restricted was $9,431,987.

NOTE 5 — A portion of the Company's sales for the year ended November 30, 1951 is subject to renegotiation under the Renegotiation Act of 1951. No provision has been made for possible refunds, since it appears that renegotiation will have no material effect on the financial statements as of November 30, 1951.

PEAT, MARWICK, MITCHELL & CO.
Certified Public Accountants

CINCINNATI, OHIO

To The Directors
The Eagle-Picher Company
Cincinnati, Ohio

We have examined the consolidated balance sheet of The Eagle-Picher Company and its domestic subsidiaries as of November 30, 1951 and the related statement of profit and loss and earned surplus for the year then ended. Our examination was made in accordance with generally accepted auditing standards, and accordingly included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances.

In our opinion, the accompanying consolidated balance sheet and statement of consolidated profit and loss and earned surplus present fairly the financial position of The Eagle-Picher Company and its domestic subsidiaries at November 30, 1951, and the results of their operations for the fiscal year then ended, in conformity with generally accepted accounting principles applied on a basis consistent with that of the preceding year.

Peat, Marwick, Mitchell & Co.

Cincinnati, Ohio
February 7, 1952

FINANCIAL SUMMARY

OPERATIONS for the Years Ended November 30	1951	1950
Net Sales	$82,086,318	$69,123,903
Net Profit before Income Taxes	9,503,807	6,399,296
Federal and State Taxes on Income	5,800,000	3,470,000
Net Profit for Year	3,703,807	2,929,296
Per Share*	4.11	3.25
Dividends Paid and Accrued	1,370,657	1,339,917
Per Share	1.50	1.50
Retained in the Business	2,333,150	1,589,379

FINANCIAL POSITION as at November 30	1951	1950
Current Assets	$24,328,172	$21,634,705
Current Liabilities	5,702,417	6,148,485
Working Capital	18,625,755	15,486,220
Fixed Assets, Net	11,102,406	11,325,613
Investments in and Advances to Foreign Subsidiaries	2,296,776	3,354,494
Long Term Debt	7,500,000	7,500,000
Net Worth	26,398,195	24,441,894†
Per Share*	29.33	27.15

**Based on 900,000 shares of common stock outstanding. On December 10, 1951 a 10% stock dividend was paid. There are presently 989,177 shares outstanding.*
†After deduction of $1,409,833 of intangible assets.

PRINCIPAL EAGLE-PICHER PRODUCTS

Painting Materials

FLAT WALL FINISHES
SEMI-GLOSS FINISHES
TRIM COLORS
SASH & TRIM ENAMELS
FARM AND RANCH PAINTS
STUCCO & CONCRETE PAINT
QUICK DRY ENAMELS
QUICK WALL SEAL
PORCH & DECK ENAMELS
VARNISHES
INTERIOR GLOSS ENAMEL
HOUSE PAINTS
CREOSOTE PAINT
SCREEN ENAMEL
MACHINERY AND IMPLEMENT ENAMELS
SHINGLE STAINS
WALL PRIMERS & SEALERS
ENAMEL UNDERCOATS
BASIC THINNER
PASTE WOOD FILLER
PENETRATING OIL STAINS
VARNISH STAINS
ALUMINUM PAINTS
TRAFFIC PAINTS
COLORS-IN-OIL
METAL PAINTS
HEAT RESISTING PAINTS
WHITE LEAD PAINTS

Pigments and Oxides

LEAD FREE ZINC OXIDES
LEADED ZINC OXIDES
WHITE LEAD CARBONATE
SUPER SUBLIMED WHITE LEAD
SUBLIMED BLUE LEAD
BASIC SILICATE WHITE LEAD
LEAD SILICATE (MONO)
ALSILOX
RED LEAD
ORANGE MINERAL
LITHARGE
SUBLIMED LITHARGE
LITHOPONE
GERMANIUM OXIDE

Metallic Products

ALLOYS, TIN-LEAD
ANTIMONIAL LEAD
ANODES, TIN
BEARING METALS
CAULKING LEAD
LEAD PIPE AND TUBING
LEAD WIRE
TIN PIPE AND TUBING
ROOF FLANGES
PLUMBERS LEAD FITTINGS
SOLDERS
LEAD WEIGHTS
LEAD WOOL AND PLUGS
SHEET LEAD
LEAD, TIN-SILVER

Industrial Insulation

INSULATING CEMENTS
MINERAL WOOL — FILL
MINERAL WOOL — LOOSE
MINERAL WOOL PIPE COVERINGS
PROTECTIVE COATINGS FOR INSULATION
MINERAL WOOL — BLANKETS
MINERAL WOOL — BLOCKS
MINERAL WOOL — FELTS
DIATOMACEOUS EARTH BLOCKS
ANTI-CONDENSATION COMPOUND

Home Conditioning Products

MINERAL WOOL INSULATION — GRANULATED, LOOSE, BATTS
COMBINATION STORM WINDOWS AND SCREENS
COMBINATION STORM AND SCREEN DOORS

Other Products

CELATOM (DIATOMACEOUS EARTH)
CADMIUM
INDUSTRIAL FLOOR DRY NO. 85
GALLIUM
SLAB ZINC (SPELTER)
GERMANIUM

EAGLE PICHER

THE EAGLE-PICHER COMPANY
CINCINNATI 1, OHIO

PRODUCERS OF LEAD AND ZINC • MANUFACTURERS OF PIGMENTS, OXIDES • SOLDERS, BEARING METALS AND OTHER METALLIC GOODS • PAINTS, VARNISHES AND ENAMELS • HOME AND INDUSTRIAL INSULATIONS • ALUMINUM STORM WINDOWS, SCREENS AND DOORS

DMEA-2399
EAGLE-PICHER COMPANY
CONTAINS 1 MAP
ANNUAL REPORT

UNITED STATES
DEPARTMENT OF THE INTERIOR 500
DEFENSE MINERALS EXPLORATION ADMINISTRATION
WASHINGTON 25, D. C.

PROJECT SUMMARY REPORT

By: W. P. Klugescheid September 8, 1954

1. Docket No. DMEA-2399 (Lead-Zinc)
   Contract No. Idm-E339
   Property: Calvert-Ralph Orebody
   Location: Lafayette County, Wisconsin

   Operator: The Eagle-Picher Co. (An Ohio corporation)
   Mining and Smelting Division
   First National Bank Building
   Miami, Oklahoma

   Operator's Property Rights: Lessee
   Operator's guaranty dated June 25, 1952
   In lieu of Owner's Consent to Lien Agreement.

2. Contract - dated June 11, 1952. To complete - 24 months.

   Work Authorized

Area 1	64 churn drill holes with total of 17,570 feet @ $1.50 per foot	$26,355.00
	Plugging drill holes @ $5.00 each	320.00
	Total Cost, Area 1	$26,675.00
Area 2	152 churn drill holes with total of 31,880 feet @ $1.50 per foot	$47,820.00
	Plugging drill holes @ $5.00 each	760.00
	Total Cost, Area 2	$48,580.00
Area 3	387 churn drill holes with total of 55,311 feet @ $1.50 per foot	$82,966.50
	Plugging drill holes @ $5.00 each	1,935.00
	Total Cost, Area 3	$84,901.50

Area 4	48 churn drill holes with total of 5,897 feet @ $1.50 per foot	$ 8,845.50
	Plugging holes @ $5.00 each	240.00
	Total Cost Area 4	$ 9,085.50
1 Chief geologist 18 months @ $425.00		$ 7,650.00
1 Field geologist 18 months @ $397.00		$ 7,146.00
	Total Cost of Project	$184,038.00
	Government's participation @ 50%	$ 92,019.00

A Amendments

No. 1 Dated November 12, 1952

1. Increases drilling costs per foot from $1.50 to $1.565 thus increasing cost of the project to $191,230.78

2. In Article 4 - Deletes $92,019.00 and substitutes $95,615.39.
Deletes $184,038.00 and substitutes $191,230.78

Work Completed

197 churn drill holes with total of 35,278.5 feet @ $1.926 per foot	$ 67,957.76
Government's participation	$ 33,978.88

Work was completed February 4, 1954 and a termination agreement was signed, dated April 9, 1954.

3. Audit - Report of Review issued March 31, 1954.

Total cost as billed by contractor	$ 67,957.85
Less: Add cents calculations	.09
No Exceptions	$ 67,957.76
Total Accepted Cost	$ 67,957.76
Government's participation	$ 33,978.88

4. Certification of Discovery - issued September 3, 1954.

ORE ESTIMATES

Property	% Zn	Available Rock-Tons	Available 60% Zn Concentrate-Tons
Francis M. Calvert	4.52	289,240	13,080.4
Clarence P. Ralph	6.10	119,266	7,275.2
Totals	4.98	408,506	20,355.6

The above calculations were made, assuming 12.5 cubic feet of rock equals 1 ton, a 0.75 tailings loss and dilution factor for the grade and a 10% loss of tonnage due to pillars. The figures are from the final geological and engineering report of the Eagle-Picher Company.

No Production.

5. Comments:

The work was well carried out and all reports were satisfactory.

A number of the leases have been surrendered, the only ones still being in force are, the Francis M. Calvert and the Clarence P. Ralph.

The exploration program consisted of three classification or phases of drilling in each of four areas. The first phase was preliminary pattern drilling with holes on quarter mile intervals along east-west rows a quarter of a mile apart. The holes were staggered so the average of the pattern was about 20 holes per section of land.

Upon completion of the preliminary pattern drilling in each area, structure and detailed drilling followed if it was warranted by the first phase.

Zinc and lead minerals of the Cuba City - Benton area occur in the Galena, Decorah, and Platteville formations, all of Ordovician age.

Zinc sulphide ore occurs in the lower half of the Galena, the Decorah and the upper half of the Platteville. Zinc carbonate ore occurs near the bottom of the Galena.

The rocks of this area have been gently folded into anticlines and synclines, trending in northeasterly and northwesterly directions. In general, the orebodies are on the limbs of northwestward-trending synclines.

The ore commonly is in steeply inclined mineralized fractures called "pitches". The pitches are reverse faults roughly paralleling synclinal trends and have developed on both limbs of the synclines. They are inclined away from each other on opposite limbs and some extend from the lower part of the Galena through the Platteville. Some of the pitches terminate in and are offset by "Flats", which are nearly horizontal bedding plane openings usually on the syncline side of the major pitch. Thin pitches and flats, closely spaced, may constitute a minable ore body. The F. M. Calvert ore block and the C. P. Ralph seem to be parts of the same southwestward-dipping pitch-type ore body.

None of the ore blocks can be considered as having been entirely drilled out. Small ore blocks indicated by only a few drill holes could not be mined.

Walter P. Klugescheid

W. P. Klugescheid

WPK:er 9/9/54

Copy to: Docket
Base Metals
Chron.

☒ Audited

☒ Certified

K ANALYSIS SHEET - DMEA PROJECT

Analysis as of 12/13/54.
Incl. Voucher for ~~February~~ 1954.

☒ Actual Cost

☐ Agreed Unit Costs

Name The Eagle-Picher Co.

Docket No. DMEA-2399

State Wisconsin

Commodity Lead-Zinc

Idm-E No. 539

OPERATION	AUTHORIZED Units	AUTHORIZED Cost	COMPLETED Units	COMPLETED Cost	NET COST
Drifting & Crosscutting					
Raising					
Shafts					
Winzes					
Drilling (Specify) Churn	110,658'	$176,434.18	35,248.5'	$56,195.78	$67,957.76
Surface Excavation					
Underground Excavation					
Roads and Trails					
Operating Equipment Purchased					
Surface Rehabilitation & Repairs					
Underground Rehabilitation					
New Building, Improvements, etc.					
Other (Specify) Geologists		14,796.00		11,761.98	11,761.98
Totals		$191,230.18		$67,957.76	$67,957.76

Prepared by W. P. Klugesheid

71626

MME Form 7
(10-58)

OFFICIAL FILE COPY

Date	Surname	Code
6-7	Arnold	500
6/7	Jaehnt	800
6/8	Sellinger	120
"	On leave	110
6/		100
		220

JUN 12 1962

The Eagle-Picher Company
Mining and Smelting Division
Box 910
Miami, Oklahoma

Re: OME-2399 (Lead-Zinc)
The Eagle-Picher Company
Calvert-Ralph Ore Body
LaFayette County, Wisconsin
Contract Idm-E339

Gentlemen:

By the terms of the subject Exploration Project Contract, as amended, and the certification of discovery or development, dated September 3, 1954, all minerals mined or produced from June 11, 1952, to June 11, 1962, were subject to the Government's percentage royalty as set forth in said contract.

As the period during which production was subject to royalty has now expired, the Government according to its present records retains no claim or lien against the property subject to the contract or any future production therefrom. Your attention, however, is called to the provisions of the contract which require the Operator to keep and preserve certain records for the periods indicated.

Sincerely yours,

George Fumich, Jr.

Director

GLAult/a
6-7-62
cc to: Director's Reading File
Contract Division
Region IV (2) w/ cy MME Form 63, dated May 29, 1962
Docket
Code 500

43683

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION
WASHINGTON 25, D. C.

OFFICIAL FILE COPY
O. M. E.
RECEIVED JUN 4 1962

DATE	INITIALS	CODE
6/4		800
6/6		100
6/7		500
		220

MAY 25 1962

Re: IMEA-2399 (Lead-Zinc)
The Eagle-Picher Company
Calvert-Ralph Ore Body
Lafayette County, Wisconsin
Contract Idm-E339

Eagle-Picher Company
First National Bank Building
Miami, Oklahoma

After the completion of the approved exploration work under the contract identified above, we asked to be informed about changes in the status of the property and production from it during the period of royalty obligation.

To assist you to furnish this information and to assure the accuracy of our records, please answer the questions on the back of this letter and return two copies to this office with copies of any pertinent documents.

Sincerely yours,

W. R. Griswold

W. R. Griswold, Chief
Division of Minerals

MME Form 63
Revised 3-62

REQUEST FOR INFORMATION ON CERTIFIED PROJECT AND PROJECT UNDER ROYALTY AGREEMENT

1. Since **November 3, 1960**, has there been a change in ownership, lease, or sublease? If yes, please state details of the transaction below and provide a true or signed copy of the pertinent documents, unless they have been provided before. Yes ☐ No ☒

2. Since **November 3, 1960**, has there been any production from the land subject to the contract? Yes ☐ No ☒

   A. If so and it was shipped, give quantity, value, and name and address of purchaser.

	Quantity	Value

   B. If stockpiled awaiting sale, state quantity, grade, and location.

Type	Quantity	Estimated Grade	Location
Ore	Tons		
Concentrates	Tons		
Other	Tons		

3. Since , has any production been transported through workings (see of contract)? Yes ☐ No ☐

   A. If so, state quantity, value, and disposition of material.

Disposition of Material	Quantity	Value

Submitted by: C O Dale

Name **C. O. Dale** Title **Vice President, Mining Division**

Address **The Eagle-Picher Co.**
Box 910
Miami, Oklahoma

Date **May 29, 1962**

4511

C
O
P
Y

XXXXXXXXXXXXXXXXXXXX
Region V
2908 Colfax Avenue South
Minneapolis 8, Minnesota

January 6, 1955

Memorandum

To: Operating Committee, Defense Minerals Exploration Administration, Washington, D. C.

From: Executive Officer, Field Team, Region V

Subject: Semi-Annual Report on Certified Projects

Following is the status of certified projects in former Region V, as of December 31, 1954:

Docket	Contract	Operator	Production-Royalties 7/1/54 to 12/31/54	Remarks
1203	E-14	Piquette Mining & Milling Co.	None	No activity. Leases returned to Seallen. See detail in memo.
1560	42	Dodgeville-Weigle	None	Leases already reported as surrendered to the owners. See accompanying memo.
1206	57	Calumet & Hecla, Inc. Wisconsin	$1,205.71	$842.10 of the $1,205.71 was at .015% rate and should have been at .05% rate. Company was so notified that $842.10 and the $552.43 reported 6/2/54 should be recalculted. In addition, a check of $ $142.88 was returned for recalculation.
1561	167	Dodgeville-Powell	None	No activity. See memo. attached
1335	178	J. E. & Lulu Miller	None	No activity. See memo. attached.
2073	245	Cuba Mining Company	None	No activity. Leases retained, however.

Docket	Contract	Operator	Production-Royalties 7/1/54 to 12/31/54	Remarks
2184	E-342	Mayer-Thiede Mining Co.	None	No activity. Leases surrendered.
2399	399	Eagle Picher Co.	None	Calvert & Ralph leases retained. All others dropped by Eagle Picher.
1199	126	L. W. Collingwood	None	Inactive.
1554	165	Stewart & Roseberry	None	Inactive.
1236	221	Campbell & Ventling	$86.12 - Back payment on mica and beryl shipments. Payment up to date	Inactive.
2358	271	Belle Eldridge Gold Mines, Inc.	None	Inactive.
2392	352	Minerals Mills, Inc. Glenwood	$8.98 - in payment of royalty on sale of 1,199 lbs. mica. Payment up to date	Intermittent operation.
2706	438	Collingwood-McDermand	None	Inactive.
2876	496	Duncan-Himebaugh	None. Operator states payment will be made when possible. Royalty due on Lot 48B, 1922 lb beryl at .20¢. Total value $399.00. Royalty of $19.95 due. See 6/30/54 report.	Inactive.

Although Docket 1263x, Contract E-161, has not, as yet, been certified, it is expected it will in the near future, and, accordingly, a report on activities is included in the attached memorandum for your general information.

It is presumed that future reports from new Region III will include those certified contracts for South Dakota.

The certified contracts in Minnesota, Michigan, Wisconsin and Iowa should be reported either by Pittsburgh or Knoxville if Pittsburgh so delegates them to do so, because there are now no fiscal records in this Executive Officer's files at Minneapolis.

A. B. MEKDHAM

Copies to: Dutton, Stehlik, Binyon, W. H. King, Cuppels, Broughton, Redden, Knoxville through H. P. Greenwald

C
O
P
Y

Box 261
Platteville, Wisconsin

January 4, 1955

Memorandum

To: A. B. Needham, Chief, Mining Division, Region V

From: Charles J. Stahlik, Mining Engineer, and W. A. Broughton, Geologist, U. S. G. S.

Subject: Semi-Annual Report, DMEA Certified Projects July 1, to December 31, 1954

The following list of activities on individual DMEA certified projects in the Upper Mississipp Zinc-Lead District is submitted for the period July 1 to December 31, 1954.

Contract E-14, Docket 1203, (Lead-Zinc), Piquette Mining and Milling Company (Assigned from E. P. Scallon)

Certified December 13, 1954.

No mining or prospecting activity has been conducted on leases in this contract since the Termination Agreement was signed on June 22, 1954. According to Mr. H. K. Geyer, attorney for Mr. Scallon, the leases were returned to Mr. Scallon following the Termination Agreement, and the Mary Bonin, Jennie M. Jents, and Willard Shinn leases were surrendered to the land owners by Scallon. The Frank Brunton and H. L. Burnham leases were assigned to Mr. Murray of Benton, Wisconsin but they were defaulted by him since that time and were, therefore surrendered to the land owners. Mr. Burnham reported that he will lease his property to Mr. Joseph Grimes of Platteville in the near future. Similarly, Mr. Brunton will also leases to Mr. Grimes in the near future for prospecting purposes.

Contract E-42, Docket 1560x, (Lead-Zinc), Dodgeville Mining Company (Weigel Lease)

Certified October 9, 1952.

No mining or prospecting operations have been conducted on this property since completion of the contract.

A visit with Mr. William Singer on December 22, 1954, disclosed that by the terms of his lease no rental has to be paid unless the price of lead is $.14 or higher per pound and that he has not paid any rental for many months. The lessee has, therefore, defaulted, although notification

by the land owner of default, also required in the lease, has not been received by Mr. Singer. Mr. Weigel was visited and states that no other party has obtained a lease on the property.

Contract E-57, Docket 1206x, (Lead-Zinc), Calumet and Hecla, Inc. (Assigned to Eagle-Picher Company)

Certification dated October 2, 1953.

On December 17, 1954, the progress maps of the Eagle-Picher Company were inspected and an underground inspection of the South Gensler mine was made. Mining has not been extensive. Half of the worked-out area was mined with 7-foot headings and the other half with 7-foot floor takeup of the original headin

A supplement to this report will be submitted when tonnage, grade, and receipts are received from the Eagle-Picher Company on the South Gensler mine for August 31 to December 31, 1954.

No mining has occurred on any of the other properties subject to this contract.

Contract E-167, Docket 1561x, (Lead-Zinc), Dodgeville Mining Company (Powell Lease)

Certified April 30, 1953.

No mining or prospecting operations have been conducted on this property since completion of the contract.

A visit with Mr. William Singer on December 22, 1954, disclosed that by the terms of his lease no rental has to be paid unless the price of lead is $.14 or higher per pound and that he has not paid any rental for many months. The lessee has, therefore, defaulted, although notification by the land owner of default, also required in the lease, has not been received by Mr. Singer.

Contract E-178, Docket 1315x, (Lead-Zinc), J. E. Miller (Durango Mining Company)

Certification dated April 24, 1953.

No mining or prospecting activity has been done on these properties in this reporting period.

Upon receipt of information from Mr. J. E. Miller, data on lease status and plans for disposal of wash dirt on the two shafts will be submitted in a supplement to this report.

Contract E-245, Docket 2073, (Lead-Zinc), D. H. & S. Mining Company (Assigned to Cuba Mining Company)

Certification dated November 19, 1953.

No mining or prospecting has been done on the contract property during this reporting period.

All leases have been retained by the Cuba Mining Company.

Contract E-339, Docket 2399, (Lead-Zinc), Eagle-Picher Company
Certification dated September 3, 1954.

No mining or prospecting has been done on the contract property during this reporting period.

The Francis M. Calvert and Clarence P. Ralph leases have been retained by the Operation; all other leases have been dropped.

Contract E-342, Docket 2184, (Lead-Zinc), Mayer and Thiede Mining Company
Certification made April 6, 1954.

No mining or prospecting has been done on the contract property during this reporting period.

Both leases have been returned to the land owners.

Although the following contract has not been certified at this time, it is expected to be done in the near future. Therefore, it is being included in this report.

Contract E-161, Docket 1263x, (Lead-Zinc), Vimgar Hill Zinc Company

An underground inspection of the Blackstone and Hancock mines on December 20 disclosed the following: No mining has been done on the west end of the Blackstone in this reporting period, the headings having progressed to 740 feet east of the west boundary of Sec. 28, T1 N, R2E prior to July 1, 1954; pillar robbing and retreating is continuing in the east end of the Blackstone where the headings stopped at the property line; development and mining are continuing on the Hancock property approximately and approximately 350 feet west of the east boundary of Sec. 28, T1N, R2E.

The Mulcahy mine was visited on December 2, 1954 and it was found that pillar robbing and retreating is going on throughout the mine as it is planned to shut it down although it has not been done at this date. Mining did not enter the DMEA contract area.

There is no mining activity on any of the other DMEA properties.

Submitted by (sgn/ Charles J. Stehlik
Charles J. Stehlik

(sgn) W. A. Broughton
W. A. Broughton

CC File
Day file

File Copy
Surname

Griswold
Hedges
Kiilsgaard
Selfridge
Yellmann

UNITED STATES
DEPARTMENT OF THE INTERIOR 500
DEFENSE MINERALS EXPLORATION ADMINISTRATION
WASHINGTON 25, D. C.

SEP 27 1954

Mr. Corbin Shouse
The Eagle-Picher Company
Mining and Smelting Division
First National Bank Building
Miami, Oklahoma

Re: Docket No. DMEA-2399 (Lead-Zinc)
The Eagle-Picher Company
Calvert-Ralph Orebody
Lafayette County, Wisconsin
Contract No. Idm-L339

Dear Mr. Shouse:

I have your letter of September 17 regarding the cited ore body. It will not be necessary for you to make a report to Mr. Needham every six months as long as the property is idle. However, if at any time you might put the property into production, Mr. Needham should then be so advised.

Sincerely yours,

Frank E. Johnson

ACTING Administrator

WRGriswold/er 9/24/54

Copy to: Docket
Operating Committee
Admr. R. File
Base Metals Division
Region V (2)
Mr. Kiilsgaard, Rm 5227
Mr. Bishop, USBM
Chron.

EAGLE-PICHER

THE EAGLE-PICHER COMPANY

ZINC AND ZINC PRODUCTS · LEAD AND LEAD PRODUCTS · HOME AND INDUSTRIAL INSULATIONS

SEP 20 1954

MINING & SMELTING DIVISION
FIRST NATIONAL BANK BLDG.
MIAMI, OKLAHOMA

September 17, 1954

Department of the Interior
Defense Minerals Exploration Administration
Washington 25, D. C.

Attention: Mr. C. O. Mittendorf

re: Docket No. DMEA-2399
(Lead-Zinc)
The Eagle-Picher Company
Calvert-Ralph Ore Body
Lafayette County, Wisconsin
Contract No. Idm-E339

Dear Mr. Mittendorf:

We are in receipt of your letter of September 7 with Certification enclosed with reference to the above matter. In the last line of your letter, you request that if production ceases at any time for an extended period, we notify Mr. Needham at six months' intervals during such period.

The Calvert-Ralph ore body is a marginal one, and we have not, as yet, developed or had any production on the property, and, so far as I know, we do not have any immediate plans for the same.

We will notify Mr. Needham if and when we commence production upon the property unless your department desires that we give Mr. Needham notice at six months' intervals of the continuing status of the property.

Yours truly,

Corbin Shouse

Corbin Shouse
Legal Department

/mel

File Copy
Surname

Griswold
Burton
Hoffman
Chairman
Kiilsgaard
Hedges
Selfridge
Hyman

UNITED STATES 500
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
WASHINGTON 25, D. C.

SEP 7 1954

Mr. Irving Gumbel, Acting Director
Materials Division
Emergency Procurement Service
General Services Administration
Washington 25, D. C.

INTERIOR DEPT.
JUL 27 1954
SOLICITOR

Re: Docket No. DMA-2399 (Lead-Zinc)
The Eagle-Picher Company
Calvert-Ralph Orebody
Lafayette County, Wisconsin
Contract No. Idm-E339

My dear Mr. Gumbel:

Enclosed is a copy of a certification of discovery or development related to Exploration Project Contract No. Idm-E339.

The contract was dated June 11, 1952, with the Government participating to the extent of 50 per cent in an exploration project estimated to cost $191,230.78. Actual expenditures were $67,957.76, with the Government's share being half of such amount, or $33,978.88.

The total amount of work provided for under the contract consisted of 110,658 feet of churn drilling. Work actually done totalled 35,278 feet of churn drilling, after which the contract was terminated by mutual agreement.

The discovery is reported to consist of 408,506 tons of ore with a grade of 4.98 per cent zinc, occurring as replacements within dolomitic rocks.

Sincerely yours,

C. O. Mittendorf

Administrator

Enclosure

WRGriswold/bjl (7/26/54)
Copy to: Docket
Cont. Adm.&Audit Div.
Reg. V (2)
Base Metals
Admr. R. File
Op. Committee
Mr. Hedges (4604)
Mr. Kiilsgaard, Rm. 5227
F. E. Johnson
W. R. Griswold
Chron.

R.C.J.

File Copy
Surname

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
WASHINGTON 25, D. C.

Mr. O. A. Rockwell
The Eagle-Picher Company
Mining & Smelting Division
First National Bank Building
Miami, Oklahoma

SEP 7 1954

Re: Docket No. DMEA-2399 (Lead-Zinc)
The Eagle-Picher Company
Calvert-Ralph Orebody
Lafayette County, Wisconsin
Contract No. Idm-E339

INTERIOR DEPT.
JUL 27 1954
SOLICITOR

Dear Mr. Rockwell:

Transmitted herewith is a certification of discovery or development related to the Exploration Project Contract No. Idm-E339, dated June 11, 1952, on the lands described in the contract.

By the terms of the Exploration Project Contract and of the Certification, all production from the land described in the contract after June 11, 1952, the date of the contract, is subject to the Government's percentage royalty as set forth in the said contract until the sum of $33,978.88 which the Government has advanced as its participating interestis repaid, or until June 11, 1962, whichever occurs first.

Payments should be made to Mr. A. B. Needham, Executive Officer, DMEA Field Team, Region V, 2908 Colfax Avenue, South, Minneapolis 8 Minnesota. Checks should be drawn in favor of the Defense Minerals Exploration Administration. The purchaser should be advised to deduct royalties from the amount due on each shipment and forward the checks to the Executive Officer.

Royalty payments to the Government should be accompanied by suitable evidence, such as copies of settlement sheets, showing quantity and grade of the products sold, the name of the purchaser, and the price and charges, certified to be correct by the purchaser.

You are requested to notify Mr. Needham of any changes in ownership or production rights that might affect the Government's right to its percentage royalty. Also, if production ceases at any time for an extended period please notify Mr. Needham at six-month intervals that such is the case.

Sincerely yours,

C. O. Mittendorf

Administrator

Enclosure

F. E. Johnson
W. R. Griswold
Base Metals
Chron.

Admr. R. File
Op. Committee
Cont. Adm & Audit Div.
Finance Office
Region V (2)

WRGriswold/bjl (7/26/54)
Copy to: Mr. Gumbel, Dr., MD, EPS
Docket
Mr. Hedges, 4604
Mr. Kilsgaard, Jr. 5227

File Copy
Surname

500

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
WASHINGTON 25, D. C.

N Sin RR

August 17, 1954

Memorandum

To: Acting Assistant Solicitor, Defense Minerals

From: Chief, Base Metals Division

Subject: Docket No. DMEA-2399, Eagle-Picher Company, Contract No. Idm-F339

We call you attention to the August 9 letter from the Field, which is in reply to our letter of August 4.

Is the Field correct in assuming that ground can still be certified, even though it had consented to the dropping of two of the leases involved.

W. R. Griswold

W. R. Griswold

WRGriswold/bjl

Copy to: Docket
Base Metals
Chron.

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

~~WASHINGTON 25, D.C.~~
Region V
2908 Colfax Avenue South
Minneapolis 8, Minnesota

August 9, 1954

Memorandum

To: Operating Committee, Defense Minerals Exploration Administration, Washington, D. C.

From: Executive Officer, Field Team, Region V

Subject: Docket 2399, Contract E-339, Eagle-Picher Company

Reference is made to your letter of August 4, 1954, regarding certification of the subject project.

Our interpretation of the contract, the guaranty, and the statements in the Field Team's final report about discoveries on the four properties results in our advice that certification can include the four properties, namely: W. H. Calvert Estate; Francis M. Calvert; Clarence Ralph, and the Fred W. and J. Frank Wilkinson.

This advice is based on the fact that when Eagle-Picher Company requested permission, on March 30, 1953, to surrender twelve leases involved in the contract, we felt that the preliminary pattern drilling under the terms of the contract had been satisfied, and if they did not pursue the drilling further there would not be mutual agreement. We referred the matter to you and your letter of April 27, 1953 advised the Government would so consent to the surrender. We then advised the operator on May 5, 1953. Nothing was said, however, as to relief from royalty payments if mineralization was certified. Only permission to surrender leases was given. (As a matter of fact, leases have been surrendered and later again picked up in many cases of mining or exploration in the area; in fact, even by Eagle-Picher, so we are informed)

On May 7, 1953, the company requested permission to surrender five more leases. The matter was referred to our Platteville team representatives who, although they indicated there might be possibilities of mineralization on those leases, were of the opinion the pattern drilling terms of the contract had been satisfied and it would not be mutual agreement if the company did not want to pursue further work, and also of the opinion these leases could be surrendered as well as were the first twelve. Approval was granted by this office on May 20, 1953, but again no mention was made of relief from royalty payment if mineralization was certified. Copies of all correspondence pertaining to the 17 leases are enclosed.

Owner's Consents to Lien were not obtained by the operator for this project and the guaranty in lieu thereof states that the operator "guarantees the payment to the United States of America of royalties, as specified in Article 6 of said contract, upon any and all ore discovered or developed as a result of said contract, which is mined within 10 years from the date of said contract, by the operator or its successor in interest; Provided, That in the event the operator, without consideration, surrenders and terminates its leasehold interests in all of the tracts included in the description in Article 2 of the contract form, and terminates all of its mining operations in said property, then and in that event all liability of the operator under this contract shall cease."

Our interpretation of that guaranty is that unless the operator gives up all of his leases and terminates all of his operations, he is still liable for payment of production royalties on any ore produced, regardless of whether he gives up a few of his leases or not. In this case the operator has not given up all of his leases, but rather has retained the Francis Calvert and the Clarence Ralph.

We feel certification can be made and all four properties cited.

A. B. NEEDHAM

Attachments to 500

C O P Y

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

~~WASHINGTON 25, D.C.~~
Region V
2908 Colfax Avenue South
Minneapolis 8, Minnesota

May 20, 1953

Mr. Corbin Shouse
The Eagle-Picher Company
Mining and Smelting Division
First National Bank Building
Miami, Oklahoma

Dear Mr. Shouse:

Reference is made to your requests of April 7, 1953 and May 7, 1953, for approval of surrendering certain leases pertinent to your DMEA contract Idm E-339.

Such approval is granted. We agree with your notation that the Francis M. Calvert and the Clarence P. Ralph properties, numbered 1 and 2 respectively in area 2, are still active and being held.

Very truly yours,

A. B. Needham
Executive Officer, Field Team
Region V

C O P Y

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

~~WASHINGTON 25, D.C.~~
Box 261
Platteville, Wisconsin

May 18, 1953

Memorandum

To: A. B. Needham, Chief, Mining Division, Region V

From: Wesley A. Grosh, Mining Engineer

Subject: Docket DMEA 2399, Contract Idm E-339, Eagle-Picher Company Surrender of Leases

I have discussed the above subject with Broughton of the U.S.G.S. We feel that there are still good possibilities of finding ore in some of the leases which Eagle-Picher is proposing to relinquish.

Eagle-Picher hole No. 2 on the Fred W. Wilkinson et al lease in the South 1/2 of the SW 1/4 of Sec. 32, T 2 N, R 1 E was assayed and showed sufficient mineralization to warrant further drilling on this lease. They have no other holes closer than 700 feet to this hole.

The Vincent Pinch lease and the Bessie Wiseman lease in the north half of the adjoining section to the south showed some favorable mineralization although the holes could not be classed as ore. Other drilling on these leases prior to Eagle-Picher's work showed some ore which the company has not followed out.

The drilling on the Delmar Heim lease to the north has not been favorable. The company did all it proposed to do in the initial program but the lease has not been fully prospected.

It is our opinion that there is still a good possibility of finding ore on some of the leases the company proposes to give up. Also one hole which could be considered a discovery hole was drilled on the Wilkinson lease.

The leases that the company gave up previously, as stated in their letter of March 30, 1953, in some instances showed more ore than these which the company now proposes to relinquish. The company may justify giving up the leases because they may believe the possibilities of finding a large ore body are very remote.

After reading over the contract again, I do not see how the company can be required to keep the leases or do more drilling if they do not want to. According to the contract, drilling after the initial

pattern drilling must be agreed to mutually by the operator and the government. If they do not agree to the drilling, it could hardly be by mutual agreement.

/s/ Wesley A. Grosh
Wesley A. Grosh

C O P Y

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

~~WASHINGTON, D.C.~~
Region V
2908 Colfax Avenue South
Minneapolis 8, Minnesota

May 12, 1953

Memorandum

To: W. A. Grosh, U. S. Bureau of Mines, Platteville, Wis.

From: Executive Officer, Field Team, Region V

Subject: Docket DMEA-2399, Contract Idm E-339, Eagle-Picher Co.

Reference is made to a letter from Corbin Shouse, Legal Department, Eagle-Picher Co., under date of May 7, 1953, a copy of which was sent to you relative to surrendered leases.

You have copies of correspondence pertinent to the first group of leases so treated.

Please advise if there were any discoveries on the five leases in question by the letter of May 7, 1953, so we can advise Eagle-Picher either way.

A. B. Needham
Executive Officer, Field Team
Region V

C O P Y

EAGLE-PICHER
The Eagle-Picher Company
Mining & Smelting Division
First National Bank Bldg.
Miama, Oklahoma

May 7, 1953

U. S. Department of Interior,
Defense Minerals Exploration Administration,
2908 Colfax Avenue South
Minneapolis 8, Minn.

Attention Mr. A. B. Needham, Executive Officer - Region V

Dear Mr. Needham:

We have completed our prospecting activity upon five more parcels of property included in our Exploration Project Contract dated June 11, 1952 with your Department. These properties are covered by the following described leases:

(1) Lease dated April 16, 1951 from Delmar J. Heim, et ux, Lessors, and found under Item 8, Page 5, Appendix I of the above contract.

✓(2) Lease dated April 25, 1951 from Fred W. Wilkinson, et ux, Lessors, same being Item 9, Page 5, Appendix I of the above contract.

✓(3) Lease dated April 25, 1951 from Fred W. Wilkinson, et al, Lessors, same being Item 10, Page 6, Appendix I of the above contract.

✓(4) Lease dated April 6, 1951 from Vincent Pinch et ux, Lessors, same being Item 11, Page 6, Appendix I of the above contract.

✓(5) Lease dated April 25, 1951 from Bessie Wiseman, Lessor, same being Item 12, Page 7, Appendix I of the above contract.

We would like to surrender each of the above described leases thereby avoiding the monthly rentals involved. We ask that you approve our surrendering said leases.

The leases above described, plus those, the surrender of which you have previously approved in your letter under date of May 5, 1953, comprise all of the properties described in Appendix I of the above described contract, except, the Francis M. Calvert and the Clarence P. Ralph properties described on Page 2 of Appendix I. We are still drilling on the first lease above described and will retain the Ralph lease because it adjoins the first lease above described.

May we have your approval of our surrender of the five leases first above described at your earliest convenience.

Yours very truly,

/s/ Corbin Shouse
Corbin Shouse
Legal Department

C O P Y

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

~~WASHINGTON 25, D.C.~~
Region V
2908 Colfax Avenue South
Minneapolis 8, Minnesota

May 5, 1953

Mr. Corbin Shouse
The Eagle-Picher Company
Mining and Smelting Division
First National Bank Building
Miami, Oklahoma

Dear Mr. Shouse:

Reference is made to your letters of March 30, 1953 and April 7, 1953, advising us of the leases which you have surrendered and which also pertain to your DMEA contract E-339, Docket-2399.

As I advised you over the telephone shortly before you submitted these letters, I was fairly sure that such a procedure would be approved but that I would submit the matter to Washington for decision.

I am now in receipt of a letter which advises that although your company, as operator, agreed in Article 2 of the contract form to devote the land for the purposes of the project, and in accordance with the terms of Article 7 thereof, the Operator may not abandon any land essential to the project although he may, without breaching the contract, completely abandon all of it. Consequently, when the Operator proposes to abandon only part of the land on which project work is being conducted, to avoid claim of breach of contract the operator must obtain the Government's consent to the abandonment.

In this case, there appears to be no possibility of production from the land covered by the surrendered leases, therefore, this is to render official notice that the Government consents to their surrender.

Very truly yours,

A. B. Needham
Executive Officer, Field Team
Region V

C O P Y

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
WASHINGTON 25, D. C.

April 27, 1953

Mr. A. B. Needham
Executive Officer, DMEA
Field, Team, Region V
2908 Colfax Avenue South
Minneapolis 8, Minnesota

Re: Docket No. DMEA-2399
Eagle-Picher Company
Contract No. Idm-E339
(Lead-Zinc)

Dear Mr. Needham:

Reference is made to your memorandum to the Operating Committee dated April 6, 1953, in which you enclosed a copy of a letter of March 30, 1953, from the Eagle-Picher Company, the Operator, to the Department of the Interior, notifying the Government that the Operator had surrendered 12 leases on land mentioned in Article 2 of the contract. You ask whether the Operator may lawfully do this.

The Operator agrees, in Article 2 of the contract form, to devote the land for the purposes of the project, and in accordance with the terms of Article 7 thereof, the Operator may not abandon any land essential to the project although he may, without breaching the contract, completely abandon all of it. Consequently, when the Operator proposes to abandon only part of the land on which project work is being conducted, to avoid any claim of breach of contract, the Operator must obtain the Government's consent to the abandonment.

In this case, there appears to be no possibility of any Production from the land covered by the 12 surrendered leases and you should, therefore, notify the Operator that the Government consents to their surrender by the Operator,

Sincerely yours,

/s/ George C. Selfridge
Chairman, Operating Committee

Approved:

/s/ J. H. Hedges
Member, Bureau of Mines

/s/ A. R. Kinkel, Jr.
Member, Geological Survey

C O P Y

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

~~WASHINGTON 25, D.C.~~
Region V
2908 Colfax Avenue South
Minneapolis 8, Minnesota

April 6, 1953

Memorandum

To: Operating Committee, Defense Minerals Exploration Administration, Interior Building, Washington 25, D. C.

From: Executive Officer, Field Team, Region V

Subject: Docket DMEA-2399, Contract Idm E-339, Eagle-Picher Company

Reference is made to Docket 2399, Idm E-339, Eagle-Picher Company. Please be advised that we are in receipt of the attached letter dated March 30, 1953, from the Eagle-Picher Company's Legal Department advising that the company has surrendered 12 leases which were involved in their exploration contract.

This office is not clear as to whether or not this procedure of withdrawing leases is a legal one. We would appreciate your comments.

A. B. Needham
Executive Officer
Field, Team, Region V

Attachment

C O P Y

EAGLE-PICHER
The Eagle-Picher Company
Mining & Smelting Division
First National Bank Bldg.
Miami, Oklahoma

March 30, 1953

U. S. Department of Interior,
Defense Minerals Exploration Administration,
2908 Colfax Avenue South
Minneapolis 8, Minn.

Attention: Mr. A. B. Needham, Executive Officer,
Region V

Dear Mr. Needham:

On January 2nd Mr. Lyden and I talked by telephone with you relative to our surrender of certain Mining Leases which we held in LaFayette County, Wisconsin and which were involved in our Exploration Project Contract dated June 11, 1952, with your Department. Our question at that time was whether we needed the concurrence of the Department of Interior before surrendering the leases involved in the contract. It was your notion that concurrence of the Department was not necessary, although you pointed out that it was not a decision for you to make. We advised you at that time that we would go ahead with our surrender of the leases which we felt were no longer of interest to us, and would simply notify your Department of such surrender.

Pursuant to that conclusion we have surrendered the following leases which were involved in that contract:

✓ (1) Lease dated November 1, 1951 from John O. Gray, et ux, covering NW1/4, Sec. 7, T 1 N, R 1 E.

✓ (2) Lease dated April 14, 1951 from William F. Snyder, et ux, covering W1/2, SE1/4, Sec. 30, T 2 N, R 1 E.

✓ (3) Lease dated April 27, 1951 from Henry V. Hinderman, et ux, covering W1/2, NE1/4 & NE1/4, NE1/4, Sec. 31, T 2 N, R 1 E.

✓ (4) Lease dated April 14, 1951 from Verna B. Cole, et vir, covering E1/2, NW1/4, Sec. 31, T 2 N, R 1 E.

✓ (5) Lease dated March 26, 1951 from Raymond B. Houtakker, et ux, covering SW1/4, SW1/4, Sec. 6 & N1/2, NW1/4, NW1/4, Sec. 7, T 1 N, R 1 E.

✓ (6) Lease dated April 1951 from Charles Curtis, et ux, covering NW1/4, SE1/4, Sec. 31, T 2 N, R 1 E.

(7) Lease dated April 25, 1951 from Arnold J. Splinter, et ux, covering W1/2 of the NW1/4, Sec. 31, T 2 N., R 1 E.

(8) Lease dated April 11, 1951 from Clarence J. Busch, et ux, covering E1/2 SW1/4, Sec. 31; SW1/4 SE1/4, Sec. 31, T 2 N, R 1 E, and NE1/4 NW1/4, Sec. 6, T 1 N, R 1 E.

(9) Lease dated April 25, 1951 from William H. Calvert, et al, covering Tract 1 - NE1/4, Sec. 7, Tract 2 - NW1/4, Sec. 8, Tract 3 - SE1/4 and 55 acres in S1/2 NW1/4, Sec. 5, T 1 N, R 1 E.

(10) Lease dated April 2, 1951 from Henry C. Gray, et ux, covering SW1/4 NW1/4 and W1/2 SW1/4, Sec. 7, T 1 N, R 1 E.

(11) Lease dated April 23, 1951 from William H. Calvert, et al, covering Frac. part of NE1/4 SW1/4, Sec. 5, T 1 N, R 1 E.

(12) Lease dated April 19, 1951 from Fred Heim, covering SE1/4, Sec. 29, T 2 N, R 1 E.

In each case these leases have been surrendered because drilling to date indicates that the chances of developing a commercial ore body are so poor as to no longer merit holding the leases.

Yours truly,

/s/ Corbin Shouse
Corbin Shouse
Legal Department

File Copy
Surname Grisamore
Selfridge
Mutendorf

500

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
WASHINGTON 25, D. C.

Air Mail

Mr. A. B. Needham, Executive Officer
DMEA Field Team, Region V
2908 Colfax Avenue, South
Minneapolis 8, Minnesota

Re: Docket No. DMEA-2399 (Lead-Zinc)
The Eagle-Picher Company
Calvert-Ralph Orebody
Lafayette County, Wisconsin
Contract No. Idm-E339

Dear Mr. Needham:

Referring to the Field Team's final geological-engineering report by W. A. Grosh and W. A. Broughton, it is stated on page 4:

"Work performed under the contract indicated or discovered ore on four properties, the Wm. H. Calvert Estate, Francis H. Calvert, Clarence Ralph and the Fred W. and J. Frank Wilkinson. Under favorable economic conditions, extraction of developed ore on the Francis Calvert and Clarence Ralph properties could be expected. Additional exploratory work on the other discoveries could develop commercial ore bodies."

Yet in the previous paragraph they state:

"On March 30, 1953 the government was notified by letter that the company had surrendered 12 of the leases in the contract. By a letter dated May 7, 1953, the company notified the government of the surrender of 5 additional leases. This left only two leases in the contract, the Francis H. Calvert and the Clarence P. Ralph, both in Section 6, Township 1 North, Range 1 East."

Therefore, we are at a loss as to how to make the certification. Obviously, all of the four cited properties should be included, if it is possible to do so.

On April 6, 1953, you wrote us regarding the surrender of 12 leases by this Operator. On April 27, we wrote you consenting to such relinquishment. We have no knowledge as to any further surrendering of leases under this contract. A letter written by you to the Operator, dated May 20, refers to a letter from it dated May 7, of which we have no copy.

Please forward us a copy of the May 7 letter and, if approval was granted by your office for the relinquishment of lands other than the 12 leases covered in our April 27 letter, kindly give full justification for such action.

Please cover this matter as soon as possible, since we have only a short time remaining in which to make certification.

Sincerely yours,

George C. Selfridge
Chairman, Operating Committee (JHB)

APPROVED:

J. H. Hedges
Member, Bureau of Mines (JHB)

Philip W. Guild
Member, Geological Survey (JHB)

WRGriswold/er 8/2/54

Copy to: Docket
Admr. File
Op. Comm.
Base Metals
Mr. Gildersleeve
Mr. Bishop
Chron.

R&G

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
~~WASHINGTON 25, D.C.~~

Region V
2908 Colfax Avenue South
Minneapolis 8, Minnesota

July 2, 1954

Memorandum

To: Operating Committee, Defense Minerals Exploration Administration, Washington, D. C.

From: Executive Officer, Field Team, Region V

Subject: Docket DMEA 2399, Contract Idm E-339, Eagle Picher Co.

Under separate insured mail, we are transmitting the original and three copies of the Government's Field Team Geologic and Engineering Report on the subject completed project.

The report recommends certification.

A. B. NEEDHAM

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

~~WASHINGTON 25, D.C.~~
Region V
2908 Colfax Avenue South
Minneapolis 8, Minnesota

Defense Minerals Administration
RECEIVED
APR 28 1954

April 26, 1954

Memorandum

To: Operating Committee, Defense Minerals Exploration Administration, Washington, D. C.

From: Executive Officer, Field Team, Region V

Subject: Docket DMEA 2399, Contract Idm E-339 - The Eagle-Picher Co.

Here are the Government, Docket and Division copies of a properly executed termination agreement on the subject project.

The Regional Finance copy has been transmitted to them and copies have been retained by the Field Team and the operator.

A. B. Needham
A. B. NEEDHAM

Attachments

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

Region V
2908 Colfax Avenue South
Minneapolis 8, Minnesota

April 14, 1954 Betty

Memorandum

To: Operating Committee, Defense Minerals Exploration Administration, Washington, D. C.

From: Executive Officer, Field Team, Region V

Subject: Docket DMEA 2399, Contract E-339, Eagle-Picher Co.

Copies of the February Operator's Monthly Report and Voucher were furnished your office recently, and have been retained by you.

In accordance with your request, please be advised that the voucher number on the final payment is No. 25.

A. B. NEEDHAM

FILE COPY
SURNAME
J. W. Alt
Swanwell
Chamberlin
Selfridge
H. Johnson

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
WASHINGTON 25, D. C.

APR 12 1954

Mr. A. B. Needham
Executive Officer
DMEA Field Team, Region V
2908 Colfax Avenue, South
Minneapolis 8, Minnesota

Re: Docket No. DMEA-2399 (Lead-Zinc)
The Eagle-Picher Company
Calvert-Ralph Orebody
Lafayette County, Wisconsin
Contract No. Idm-F339

Dear Mr. Needham:

We are enclosing the original and five copies of a termination agreement for the cited contract, signed by this office for the Government. This is in accordance with the request contained in your memorandum of March 22, 1954.

If the termination agreement meets with your approval, kindly present it to the Operator for approval and signature, and when completed, distribute in the usual manner. In the event that it is not satisfactory and the Operator refuses to sign it, please return all copies with your comments.

Sincerely yours,

George C. Selfridge

Chairman, Operating Committee (GCS)

Enclosures 6

JWAlt/bjl (4/7/54)

APPROVED:

J. H. Hedges (JHH)
Member, Bureau of Mines

D. M. Larrabee (DML)
Member, Geological Survey

Copy to: Docket
Admr. R. File
Op. Committee
Base Metals
Mr. Kinkel
Mr. Bishop
Chron.

R.C.B.

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
~~WASHINGTON 25, D. C.~~
Region V
2908 Colfax Avenue South
Minneapolis 8, Minnesota

April 6, 1954

Memorandum

To: L. A. Hill, Special Assistant to the Regional Director, Region V

From: Executive Officer, Field Team, Region V

Subject: Docket DMEA 2399, Contract E-339, Eagle-Picher Co.

Reference is made to your memorandum of April 2, 1954.

Here are the original and one copy of Report of Review covering the subject project which has been completed as of March 8, 1954.

Since the terms of the contract have been satisfied, the completion has been accepted by this office.

Certificates of discovery are issued by the Administrator on the basis of the Field Team final report or other data sufficient to permit the Administrator to issue the certification, and can be done anytime within six months of the completion date of the project. (Refer to DMEA Circular 26 and Supplements 1 and 2) This office does not issue certification of discovery notices.

Copies of correspondence pertinent to this project are attached.

Please furnish this office with the date voucher payment is consummated so we can comply with the Contract Administration and Audit Division request.

A. B. NEEDHAM

Attachments

cc Opr. Comm., Washington
Dutton
Grosh
Broughton

500

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
WASHINGTON 25, D. C.

J.W.L. Alt. Remained Selfridge

APR 1 1954

Mr. A. B. Needham
Executive Officer
DMEA Field Team, Region V
2908 Colfax Avenue, South
Minneapolis 8, Minnesota

Re: Docket No. DMEA-2399 (Lead-Zinc)
The Eagle-Picher Company
Calvert- Ralph Orebody
Lafayette County, Wisconsin
Contract No. Idm-E339

Dear Mr. Needham:

This is in reply to your memorandum of March 23, 1954, regarding the cited contract. March 8, 1954, according to the terms of the contract, can be accepted as the date which governs the six-month period for certification of this property. But, in order that the property may be certified within this period, we will need a final Field Team report within three or four months from the time the Operator's final report was received.

If this is not possible we would appreciate receiving from you, at your earliest convenience, a brief summary of the work done with a statement of the ore reserves. We could then proceed to certify this project.

Sincerely yours,

George C. Selfridge (JWA)
Chairman, Operating Committee

APPROVED:

J. M. Hedges (JWA)
Member, Bureau of Mines

D. M. Larrabee
Member, Geological Survey (JWA)

JWAlt/bjl (rewritten 3/31/54)

Copy to: Docket
Admr. R. File
Op. Committee
Base Metals
Mr. Kinkel
Mr. Bishop
Chron.

R.C.S. 4-1-54

500

J. W. Alt.

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
WASHINGTON 25, D. C.

Mr. [illegible] Needham
Executive Officer
[illegible] Field Team, Region V
2908 Colfax Avenue, South
Minneapolis 8, Minnesota

Re: Docket No. [illegible]-2399 (Lead-Zinc)
The Eagle-Picher Company
Calvert-Ralph Orebody
Lafayette County, Wisconsin
Contract No. I[illegible]-5839

Dear Mr. Needham:

In reply to your memorandum of March 23, 1954, regarding the cited contract, we cannot grant the requested delay in the submission of the final Field Team report unless you are willing to endorse the ore reserve summary shown in the Operator's final report.

Sincerely yours,

Chairman, Operating Committee

Approved:

JWAlt/bjl (3/29/54)

Member, Bureau of Mines

Member, Geological Survey

Copy to: Docket
Admr. R. File
Op. Committee
Base Metals
Mr. Bishop
Mr. Kinkel
Chron.

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
WASHINGTON 25, D. C.

MAR 3 1 1954

Mr. A. B. Needham
Executive Officer
DMEA Field Team, Region V
2908 Colfax Avenue, South
Minneapolis 8, Minnesota

Re: Docket No. DMEA-2399
Eagle-Picher Company
Lafayette County, Wis.
Contract No. Idm-2339

Dear Mr. Needham:

References is made to a letter dated March 22, 1954 from Mr. L. A. Hill, forwarding our copies of the final voucher for the above-cited project.

As a result of the receipt of this voucher and also of the Operator's final engineering and geological report, a Report of Review has been issued. The regional copies of the Report are enclosed for distribution in accordance with DMEA Circular 19.

Sincerely yours,

(Signed) J. L. Chambers

Jay L. Chambers, Chief
Contract Administration
and Audit Division

Enclosure

WBorovies/wb
March 31, 1954

Copy to: Docket
Admr. Reading File
Mr. Chambers

R.C. 3-31-54

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

~~WASHINGTON 25, D.C.~~
Region V
2908 Colfax Avenue South
Minneapolis 8, Minnesota

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
MAR 25 1954

March 23, 1954

Memorandum

To: Operating Committee, Defense Minerals Exploration Administration, Washington, D. C.

From: Executive Officer, Field Team, Region V

Subject: Docket 2399, Contract E-339, Eagle-Picher Company

Here are the original and two copies of the operator's final engineering and geological report on the subject project, the drilling program having been completed.

You will note that ore has been disclosed, and that when the Government report is written and transmitted, it will recommend certification. Following is the accounting information on this project:

Total amount of contract	$191,230.78
Government share	95,615.39
Total amount spent	67,957.76
Government share	33,978.88
Amount available to General Fund	61,636.51

Drilling on the project was completed February 4, 1954. The operator's report was received on March 8, 1954, and we would appreciate having March 8, 1954 as the date which will govern the six-month period before our report can be transmitted to you because of the complicated nature of the report and its length.

A. B. Needham
A. B. NEEDHAM

Attachments

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES
Region V
2908 Colfax Avenue South
Minneapolis 8, Minnesota

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
MAR 24 1954

March 22, 1954

Memorandum

To: Defense Minerals Exploration Administration, Contract Administration and Audit Division, Washington, D. C.

From: Special Assistant to the Regional Director, Region V

Subject: Docket DMEA-2399, Contract IDM-E-339, Eagle Picher Co.

We have received the final voucher on the above contract and are forwarding your copies before making payment so that you may prepare a Report of Review. It is not believed necessary for us to forward the originals since the copies you have are identical. The total amount paid to date (Government's share) is $33,625.65 and with the addition of the present voucher the amount will be $33,978.88.

We also need a Notice of Termination from your office as well as Certification of Discovery or Development. The drilling was completed February 4 and operator's final report was received by the Executive Officer on March 8.

L. A. Hill

L. A. HILL

Attachment

DMEA 2399

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

~~WASHINGTON 25, D.C.~~
Region V
2906 Colfax Avenue South
Minneapolis 8, Minnesota

May 20, 1953

Mr. Corbin Shouse
The Eagle-Picher Company
Mining and Smelting Division
First National Bank Building
Miami, Oklahoma

Dear Mr. Shouse:

Reference is made to your requests of April 7, 1953 and May 7, 1953, for approval of surrendering certain leases pertinent to your DMSA contract Idn E-339.

Such approval is granted. We agree with your notation that the Francis M. Calvert and the Clarence P. Ralph properties, numbered 1 and 2 respectively in area 2, are still active and being held.

Very truly yours,

A. B. Needham
Executive Officer, Field Team
Region V

Copies to:
C. E. Dutton
Operating Committee (2)
Grosh
Broughton
files
df

FILE COPY
SURNAME:

Selfridge

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
WASHINGTON 25, D. C.

Copy to: Mails & Files
Adm. R. File
Mr. Mittendorf
Operating Comm.
Mr. Hedges
Mr. Thayer
Mr. Griswold
Mr. Hofflund
Chron. Mr. Kane Pending

Mr. A. B. Needham
Executive Officer, DMEA
Field Team, Region V
2908 Colfax Avenue, South
Minneapolis 8, Minnesota

Re: Docket No. DMEA-2399
Eagle-Picher Company
Contract No. Idm-E399
(Lead-Zinc)

APR 27 1953

J. C. 4/27/53

Dear Mr. Needham:

Reference is made to your memorandum to the Operating Committee dated April 6, 1953, in which you enclosed a copy of a letter of March 30, 1953, from the Eagle-Picher Company, the Operator, to the Department of the Interior, notifying the Government that the Operator had surrendered 12 leases on land mentioned in Article 2 of the contract. You ask whether the Operator may lawfully do this.

The Operator agrees, in Article 2 of the contract form, to devote the land for the purposes of the project, and in accordance with the terms of Article 7 thereof, the Operator may not abandon any land essential to the project although he may, without breaching the contract, completely abandon all of it. Consequently, when the Operator proposes to abandon only part of the land on which project work is being conducted, to avoid any claim of breach of contract, the Operator must obtain the Government's consent to the abandonment.

In this case, there appears to be no possibility of any Production from the land covered by the 12 surrendered leases and you should, therefore, notify the Operator that the Government consents to their surrender by the Operator.

Sincerely yours,

George C. Selfridge

Chairman, Operating Committee (JLB)

Approved:

AEKane/ep 4-21-53
GCSelfridge/pan 4-24-53

J. H. Hedges (JLB)
Member, Bureau of Mines

A. R. Kinkel, Jr. (JLB)
Member, Geological Survey

FILE COPY
SURNAME:

140

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
WASHINGTON 25, D. C.

Mr. A. B. Needham
Executive Officer, DMEA
Field Team, Region V
2908 Colfax Avenue, South
Minneapolis 8, Minndsota

Re: Docket No. DMEA-2399
Eagle-Picher Company
Contract No. Idm-E399
(Lead-Zinc)

Dear Mr. Needham:

Reference is made to your memorandum to the Operating Committee dated April 6, 1953, in which you enclosed a copy of a letter of March 30, 1953, from the Eagle-Picher Company, the Operator, to the Department of the Interior, notifying the Government that the Operator had surrendered 12 leases on land mentioned in Article 2 of the contract. You ask whether the Operator may lawfully do this.

The Operator agrees, in Article 2 of the contract form, to devote the land for the purposes of the project, and, in accordance with the terms of Article 7 thereof, the Operator may not abandon any land essential to the project although he may, without breaching the contract, completely abandon all of it. Consequently, when the Operator proposes to abandon only part of the land on which project work is being conducted, to avoid any claim of breach of contract, the Operator must obtain the Government's consent to the abandonment.

In this case, if any Certificate of Discovery issues, there appears to be no possibility of any production from the land covered by the 12 surrendered leases and you should, therefore, notify the Operator that the Government consents to their surrender by the Operator.

Sincerely yours,

Approved:

Chairman, Operating Committee

Member, Bureau of Mines

Member, Geological Survey

Mr. Kane
Chron.
Pending
Mr. Hedges
Mr. Thayer
Mr. Griswold
Mr. Hofflund
Adm. R. File
Mr. Mittendorf
Operating Comm.
Copy to: Mails & Files
Kane:ep 4-21-53

This ltr rewritten (AB)

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
~~WASHINGTON 25, D.C.~~
Region V
2908 Colfax Avenue South
Minneapolis 8, Minnesota

Department of the Interior
Defense Minerals Administration
APR 8 1953

April 6, 1953

Memorandum

To: Operating Committee, Defense Minerals Exploration Administration, Interior Building, Washington 25, D. C.

From: Executive Officer, Field Team, Region V

Subject: Docket DMEA-2399, Contract Idm E-339, Eagle-Picher Company

Reference is made to Docket 2399, Idm E-339, Eagle-Picher Company. Please be advised that we are in receipt of the attached letter dated March 30, 1953, from the Eagle-Picher Company's Legal Department advising that the company has surrendered 12 leases which were involved in their exploration contract.

This office is not clear as to whether or not this procedure of withdrawing leases is a legal one. We would appreciate your comments.

A. B. Needham
Executive Officer
Field Team, Region V

Attachment

C
O
P
Y

EAGLE - PICHER

C
O
P
Y

The Eagle - Picher Company

Mining & Smelting Div.
Miami, Oklahoma
March 30, 1953

U. S. Department of Interior
Defense Minerals Exploration Administration
2908 Colfax Avenue South
Minneapolis 8, Minneapolis

Attention: Mr. A. B. Needham, Executive Officer, Region V

Dear Mr. Needham:

On January 2nd, Mr. Lyden and I talked by telephone with you relative to our surrender of certain Mining Leases which we held in LaFayette County, Wisconsin and which were involved in our Exploration Project Contract dated June 11, 1932 with your Department. Our question at that time was whether we needed the concurrence of the Department of the Interior before surrendering the leases involved in the contract. It was your notion that concurrence of the Department was not necessary, although you pointed out that it was not a decision for you to make. We advised you at that time that we would go ahead with our surrender of the leases which we felt were no longer of interest to us, and would simply notify your Department of such surrender.

Pursuant to that conclusion we have surrendered the following leases which were involved in that contract:

(1) Lease dated November 1, 1951 from John O. Gray, et ux, covering NW1/4, Sec. 7, T 1 N., R 1 E.

(2) Lease dated April 14, 1951 from William F. Snyder, et ux, covering W1/2, SE1/4, Sec. 30, T 2 N., R 1 E.

(3) Lease dated April 27, 1951 from Henry V. Hinderman, et ux, covering W1/2, NE1/4 & NE1/4, NE1/4, Sec. 31, T 2 N , R 1 E.

(4) Lease dated April 14, 1951 from Verna B. Cole, et vir, covering E1/2, NW1/4, Sec. 31, T 2 N, R 1 E.

(5) Lease dated March 26, 1951 from Raymond B. Houtakker, et ux, covering SW1/4, SW1/4, Sec. 6 & N1/2, NW1/4, NW1/4, Sec. 7, T 1 N., R 1 E.

(6) Lease dated April 12, 1951 from Charles Curtis, et ux, covering NW1/4, SE1/4, Sec. 31, T 2 N, R 1 E.

(7) Lease dated April 25, 1951 from Arnold J. Splinter, et ux, covering W1/2 of the NW1/4, Sec. 31, T 2 N., R 1 E.

(8) Lease dated April 11, 1951 from Clarence J. Busch, et ux, covering E1/2 SW1/4, Sec. 31; SW1/4 SE1/4, Sec. 31, T 2 N. R 1 E, and NE1/4 NW1/4, Sec. 6, T 1 N., R 1 E.

(9) Lease dated April 25, 1951 from William H. Calvert, et al, covering Tract 1 - NE1/4, Sec. 7, Tract 2 - NW1/4, Sec. 8, Tract 3 - SE1/4 and 55 acres in S1/2 NW1/4, Sec. 5, T 1 N., R 1 E.

(10) Lease dated April 2, 1951 from Henry C. Gray, et ux, covering SW1/4 NW1/4 and W1/2 SW1/4, Sec. 7, T 1 N., R 1 E.

(11) Lease dated April 23, 1951 from William H. Calvert, et al, covering Frac. part of NE1/4 SW1/4, Sec. 5, T 1 N., R 1 E.

(12) Lease dated April 19, 1951 from Fred Heim, covering SE1/4, Sec. 29, T 2 N, R 1 E.

In each case these leases have been surrendered because drilling to date indicates that the chances of developing a commercial ore body are so poor as to no longer merit holding the leases.

Yours truly,

/s/ Corbin Shouse

Corbin Shouse
Legal Department

CS/mc

cc - US Bureau of Mines
Masonic Bldg.
Platteville, Wisc.
Att'n: Mr. W. A. Grosh

cc - C. O. Dale
Galena, Illinois office

cc - J. P. Lyden
Cardin, Oklahoma office

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

~~WASHINGTON 25, D. C.~~
Region V
2908 Colfax Avenue South
Minneapolis 8, Minnesota

December 22, 1952

Memorandum

To: Operating Committee, Defense Minerals Exploration Administration, Interior Building, Washington 25, D. C.

From: Executive Officer, Field Team, Region V

Subject: Docket DMEA-2399, Contract Idm-E339
Eagle-Picher Co.-Amendment No. 1

Reference is made to your letter of November 12, 1952 regarding the subject docket.

Here are the original and two copies of the amendment.

One copy was retained by the company, one by this office, and one copy is being transmitted to the Regional finance office.

A. B. Needham
Executive Officer
Field Team, Region V

Attachments

cc 12-29

FILE COPY
SURNAME:

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
WASHINGTON 25, D. C.

date of amend. filled in 11-12-52 by me above orders per Rose

cc to: Mails & Files
Adm. Read. File
Op. Committee
Mr. Thayer
Hedges
Keller
Hofflund
Kane
Chron
Pending

NOV 12 1952

Mr. A. B. Needham, Executive Officer
DMEA Field Team, Region V
2908 Colfax Avenue South
Minneapolis, Minnesota

Re: Docket No. DMEA-2399
Eagle-Picher Company
Contract No. Ida-E339

Dear Mr. Needham:

Reference is made to your letter of October 17, 1952, to the Operating Committee in which you again submit an amendment to the subject contract, increasing the unit price of churn drilling from $1.50 to $1.715 per foot. As we advised you in our letter of October 7, 1952, the only increase authorized is that of $.065 per foot to cover the costs of surveying and assaying not provided for in the original contract. We also advised that under the short-form contract, if no additional work is to be performed, the agreed unit cost may not be increased by amendment even though the operator's labor costs have increased.

From our telephone discussion on October 16, 1952, I understood that some new work at the increased cost was to be included in the proposed amendment. However, the proposal you submitted did not add to the work to be done under the original contract. Consequently, we are unable to approve the added cost of $0.15 per foot of churn drilling for increased labor costs. After our short-form contract is executed, the Government is no longer interested in the Operator's actual costs of performing the work, and in the absence of some new legal consideration flowing to the Government, the unit price, once fixed, becomes and remains the allowable cost of the work.

I am enclosing duly signed an amendment increasing the unit price of churn drilling to $1.565 per foot.

F.N. 11-12-52

Sincerely yours

(signed) FRANK E. JOHNSON
(JHB)
Chairman, Operating Committee

Enclosures-6

APPROVED:

J. H. Hedges (JHB)
Member, Bureau of Mines

AEKane/mef -10/29/52
FEJohnson/pa -11/7/52 (JHB)
A. R. Tankel, Jr.
Member, Geological Survey

140

FILE COPY
SURNAME:

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
WASHINGTON 25, D. C.

AEKane
J.W.Alt
W.Keller
Talbert

~~NOV 12 1952~~

Mr. A. B. Needham, Executive Officer
DMEA Field Team, Region V
2108 Colfax Avenue South
Minneapolis, Minnesota

Re: Docket No. DMEA-2399
Eagle-Picher Company
Contract No. Idm-E339

Dear Mr. Needham:

Reference is made to your letter of October 17, 1952, to the Operating Committee in which you again submit an amendment to the subject contract, increasing the unit price of churn drilling from $1.50 to $1.715 per foot. As we advised you in our last letter, the only increase authorized is that of $.065 per foot to cover the costs of surveying and assaying not provided for in the original contract.

I wrote you previously "The subject short-form contract is written on an agreed, unit-cost basis and, if no additional work is to be performed, such costs may not be increased by amendment even though the Operator's labor costs have increased." This remains my opinion even though you state that "since the contract was drawn all costs for drilling in the area have risen. This is a condition that is not foreseeable." After our short-form contract is executed, the Government is no longer interested in the Operator's actual costs of performing the work, and in the absence of some new legal consideration flowing to the Government, the unit price, once fixed, becomes and remains the allowable cost of the work.

I am enclosing duly signed an amendment increasing the unit price of churn drilling to $1.565 per foot.

Sincerely yours,

Chairman, Operating Committee

Enclosures-6

APPROVED:

Member, Bureau of Mines

Member, Geological Survey

AEKane/mef
10/29/52
cc to: Mails and Files
Adm. R. File
Op. Committee
Mr. Thayer
Hedges
Keller
Hofflund
Kane

Chron.
Pending

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

~~WASHINGTON 25, D. C.~~
Region V
2908 Colfax Avenue South
Minneapolis 8, Minnesota

1952

October 17, 1952

Memorandum

To: Operating Committee, Defense Minerals Exploration Administration, Interior Building, Washington 25, D. C.

From: Executive Officer, Field Team, Region V

Subject: Docket DMEA-2399, Contract Idm-E339
Eagle-Picher Company

Reference is made to your letter of October 7, 1952, advising that Amendment No. 1, which was submitted to you on September 8, 1952, was not authorized and returning your copies of said amendment for rewrite.

Here are 7 copies of the Amendment No. 1 rewritten so as to permit an increase in drilling costs from $1.50 to $1.715 per foot.

The increase of from $1.50 to $1.65 in the prevailing rate for churn drilling in the area is justified because since the contract was drawn all costs for drilling in the area have risen. This is a condition that is not foreseeable.

Surveying and assaying costs of $0.04 and $0.025, respectively, per foot of drilling was not provided for in the original contract and are regular and proper because such have to be done to evaluate results. Apparently these items were inadvertently overlooked when the contract was drawn. Your letter of October 7 indicated they were proper additions.

The $0.015 per foot of drilling to compensate geologist's transportation as requested by Eagle-Picher has not been included because the provision for geologists in Exhibit "A" should take care of the item and it is believed was considered at the time the contract was drawn.

The increased cost of the project has been discussed with the operator and they are in agreement and will sign the amendment if and when you approve.

A. B. Needham
Executive Officer
Field Team, Region V

ABNeedham:dg
cc Dutton
Grosh
Broughton
Hill
Region V, files, df

cal 10-20

because ...
of the item and is ...
was drawn.

The increased cost of the project has been ...
the operator and they are in agreement and will sign the amend...
if and when you approve.

ABNeedham:dg

A. B. Needham
Executive Officer
... Section V

AMENDMENT NO. 1

Contract Idm-E339, Docket DMEA-2399, dated June 11, 1952, between the United States of America and the Eagle-Picher Company, is hereby amended as follows:

1. Exhibit "A" - Estimated cost of Project. Delete pages 2 and 3 and substitute the attached same numbered pages which increases the drilling costs per foot from $1.50 to $1.715, thereby increasing total cost of each area, total cost of project, and total cost of Government participation.

2. Article 4 - Exploration Project Contract (short form).

Delete $92,019.00 and substitute $103,914.72.

Delete $184,038.00 and substitute $207,829.45.

Dated: _____

UNITED STATES OF AMERICA

By _____

EAGLE-PICHER COMPANY

By _____
Title:

Before ... America
OCT 3 - 1952

Please return the 2 copies for distribution after approval

1. Field Team
1. Rutherville
1. Fiscal
1. Operator

ESTIMATED COSTS OF PROJECT

Area 1

Preliminary pattern drilling - 11 churn-drill holes, 3,020 feet at $1.715 per foot	$ 5,179.30	
Structure drilling - 22 churn-drill holes, 6,040 feet at $1.715 per foot	10,358.60	
Drilling to delineate the ore bodies, 31 churn-drill holes, 8,510 feet at $1.715 per foot	14,594.65	
Total cost for churn drilling Area 1		$30,132.55
Plugging drill holes, 64 holes at $5.00 per hole	320.00	320.00
Total Cost, Area 1		$30,452.55

Area 2

Preliminary pattern drilling - 19 churn-drill holes, 3,985 feet at $1.715 per foot	$ 6,834.27	
Structure drilling - 38 churn-drill holes, 7,970 feet at $1.715 per foot	13,668.55	
Drilling to delineate the ore bodies - 95 churn-drill holes, 19,925 feet at $1.715 per foot	34,171.37	
Total cost for churn drilling Area 2		$54,674.19
Plugging drill holes, 152 holes at $5.00 per hole	760.00	760.00
Total Cost, Area 2		$55,434.19

Area 3

Preliminary pattern drilling - 53 churn-drill holes, 7,575 feet at $1.715 per foot	$12,991.12	
Structure drilling - 106 churn drill holes, 15,150 feet at $1.715 per foot	25,982.25	
Drilling to delineate the ore bodies - 228 churn-drill holes, 32,586 feet at $1.715 per foot	55,884.99	
Total cost for churn drilling Area 3		$94,858.36

Plugging drill holes, 387 holes at $5.00 per hole	$1,935.00	$ 1,935.00
Total Cost, Area 3		$96,793.36

Area 4

Preliminary pattern drilling - 7 churn-drill holes, 860 feet at $1.715 per foot	$ 1,474.90	
Structure drilling - 14 churn-drill holes, 1,720 feet at $1.715 per foot	2,949.80	
Drilling to delineate the ore bodies - 27 churn-drill holes, 3,317 feet at $1.715 per foot	5,688.65	
Total cost for churn drilling Area 4		$10,113.35
Plugging drill holes, 48 holes at $5.00 per hole	240.00	240.00
Total Cost, Area 4		$10,353.35
Chief field geologist at not to exceed $425.00 per month for a maximum of 18 months	$ 7,650.00	
Field geologist at not to exceed $397.00 per month for a maximum of 18 months	7,146.00	
Total Cost, Geologists		$14,796.00

NOTE: For the purpose of this contract, one month's services of a geologist represents a unit of work. The Government will contribute to these agreed, estimated costs, as they accrue, in lieu of actual costs.

TOTAL COST OF THE PROJECT	$207,829.45
GOVERNMENT PARTICIPATION AT 50%	$103,914.72

140

FILE COPY
SURNAME:

Keating
E. Estes
Hoffman
J. W. G.
Talbert
Mitt

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
WASHINGTON 25, D. C.

OCT 7 1952

Air Mail

Mr. A. B. Needham, Executive Officer
DMEA Field Team, Region V
2908 Colfax Avenue South
Minneapolis, Minnesota

Re: Docket No. DMEA-2399
Eagle-Picher Company
Contract Idm-E339 (Lead-Zinc)

Dear Mr. Needham:

Reference is made to your letter of September 8, 1952, in which you enclose an amendment to the contract increasing the cost of churn drilling.

The subject short-form contract is written on an agreed, unit-cost basis and, if no additional work is to be performed, such costs may not be increased by amendment even though the Operator's labor costs have increased. As the contract itself makes the services of a geologist a unit of work, the cost of the geologist's transportation must have been contemplated when the original contract was drawn. However, the original contract does not seem to have provided for the cost of surveying and assaying, and the Operator estimates the additional cost of this work at $.065 per foot of drilling.

Consequently, in order that this added work may be performed, the churn drilling costs may be increased by amendment in the amount of $.065 per foot, but in no greater amount. It follows that, the amendment, as written is improper, and for the further reason that you state therein that the amendment shall not be construed to increase the estimated total cost of the project, etc., when the whole purport of the amendment is to increase such cost. It is therefore suggested that you advise the Operator that the amendment as written is unauthorized, and that you will substitute therefor another amendment as above indicated, and submit it to us for approval. In drawing such an amendment, you should revise Exhibit "A" to indicate: (a) the increased cost of the churn drilling in areas 1, 2, 3, and 4; (b) the

total cost of the work in each area; and (c) the total cost of the project and the Government's participation therein, and the correct figures to be inserted in Article 4 of the contract.

Sincerely yours,

(signed) FRANK E. JOHNSON (JHB)

Chairman, Operating Committee

Attachments

Approved:

J. H. Hedges (JHB)

Member, Bureau of Mines

T. P. Thayer (JHB)

Member, Geological Survey

F.H. 10-7-52

AEKane/em
10/3/52

Copy to: Mails and Files
Adm. R. File
Operating Committee
Mr. Thayer
Mr. Hedges
Mr. Keller
Mr. Hofflund
Mr. Kane
chron.
pending

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
~~WASHINGTON 25, D.C.~~
Region V
2908 Colfax Avenue South
Minneapolis 8, Minnesota

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
SEP 10 1952

September 8, 1952

Memorandum

To: Operating Committee, Defense Minerals Exploration Administration, Interior Building, Washington 25, D. C.

From: Executive Officer, Field Team, Region V

Subject: Amendment No. 1 - Docket DMEA-2399, Contract Idm-E339 Eagle Picher Company

Here are the original and two copies of the subject amendment increasing the cost of drilling per foot to $1.73, pursuant to the request by Eagle Picher attached to the amendment.

Our field representatives verify that, since the contract was drawn, the prevailing cost for churn drilling in the area has increased from $1.50 to $1.65. It is also apparent to the field team that additional costs over and above the actual drilling would be necessary to evaluate the findings; and, therefore, the request that surveying and assaying be included appeared reasonable and should have been included in the original contract. The services of a geologist, as stated in the exhibit, made no mention of other expenses than salary, but we assume the company's charge for $0.015 per foot for transportation to be logical.

Since there has been some unfavorable drill tests, thereby decreasing footage in certain areas, the total funds expended will not be increased by the additional costs.

One copy of the amendment has been retained by the company, our Platteville office, the Regional fiscal section, and this office.

A. B. Needham
Executive Officer
Field Team, Region V

Attachments
ABNeedham:dg
cc Dutton
Grosh
Broughton
Hill
Region V
files
df

RECEIVED
SEP 23 1952
GENERAL COUNSEL
DEFENSE MINERALS
ADMINISTRATION

NOTE: Orig. & 2 cys of Amendment ret'd to Field for writing of new amendment.

FILE COPY
SURNAME:

Talbert

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
WASHINGTON 25, D. C.

JUL 28 1952

Mr. A. B. Needham
Executive Officer
DMEA Field Team, Region V
2908 Colfax Avenue, South
Minneapolis, 8, Minnesota

Re: Docket DMEA-2399
Contract Idm-E339
The Eagle-Picher Company

Dear Mr. Needham:

Reference is made to your letter of July 22, 1952, addressed to The Eagle Picher Company waiving the requirement for documentation in support of the Monthly Report and Voucher Form MF-104.

Inasmuch as the contract is on the Short Form MF-200(A), which provides for payment by the Government of 50 per cent of the agreed estimated costs for units of work actually performed, the necessity of waiving documentation requirements is not understood. Since payment is to be made on the basis of the units of work actually performed no documentation is required.

If you will refer to the last paragraph on the reverse of Form MF-104(Rev.) April, 1952, you will note the following statement: "Form MF-104 submitted for reimbursement under fixed price contracts on Form MF-200 (A), however, are not required to be supported by documentation of any kind". There follows after this statement an example of how the operator should present his claim. In this particular case, since several different units of work are involved, as well as salaries on a unit basis, it will be necessary for the operator to cross out the words "bulldozing", "crosscutting", and "drifting" as they appear under item (1) on the MF-104 and use these lines for the several units of work including the unit salaries of the Chief Field Geologist and Field Geologist.

Sincerely yours,

Signed

E. D. Talbert, Assistant Chief
Contract Administration and
Audit Division

P.N. 7.28.52

EDTalbert/ama
July 25, 1952

Copy to: Admr. Reading File
Mails and Files
Mr. Chambers

OFFICE OF THE ADMINISTRATOR

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS ADMINISTRATION

~~WASHINGTON 25, D.C.~~

Region V
2908 Colfax Avenue South
Minneapolis 8, Minnesota

July 9, 1952

Memorandum

To: Operating Committee, Defense Minerals Exploration Administration, Interior Building, Washington 25, D. C.

From: Executive Officer, Field Team, Region V

Subject: Docket DMEA-2399, Contract Idm-E339
Eagle Picher Company

Returned here are the original and two copies of the duly executed subject contract.

One copy has been retained by the operator, one by this office, and one transmitted to the Regional fiscal section.

Walter E. Lewis

Walter E. Lewis
for A. B. Needham, Executive Officer
Field Team, Region V

Attachments

WELewis:dg
cc Dutton
Grosh
Broughton
Hill
Region V
files

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
JUL 11 1952

FILE COPY

C. O. Mittendorf, Acting Director
Defense Minerals Exploration Adm.
Department of the Interior
DEFENSE PRODUCTION STAFF
FEJohnson

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
WASHINGTON 25, D. C.

1420137 - 1952

June 13, 1952

The Eagle Picher Company
Miami, Oklahoma

EXPLORATION CONTRACT, DMEA 2399, MAILED JUNE ELEVENTH TO REGIONAL OFFICE AT MINNEAPOLIS FOR EXECUTION.

C. O. Mittendorf (fw)

C. O. Mittendorf cc 6/13

FEJohnson/bih
5/12/52
cc to: Docket
Admr's. Reading File
Mr. Moulds
Mr. FEJohnson

FILE COPY
SURNAME:

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION
WASHINGTON 25, D. C.

JUN 11 1952

Mr. A. B. Needham
Executive Officer, Region V
DMEA Field Team
2908 Colfax Avenue, South
Minneapolis 8, Minnesota

Re: Docket No. DMEA 2399
Eagle-Picher Company
Lead-Zinc

Dear Mr. Needham:

We are enclosing the original and five copies of the above contract, signed by this office for the Government, together with Appendix I, 8 pages, Guaranty, Exhibit "A" (3 pages), and one map.

The four applications of the Eagle-Picher Company, Docket No's. DMEA 2399, 2401, 2402, and 2403 have been incorporated into one application, Docket No. DMEA 2399, and one contract as has been previously discussed with your office. In event the Eagle-Picher Company secures leases on the property adjacent to presently included leases, these leases may be incorporated by amendment.

Before the contract can be executed, it will be necessary for a duly authorized official of the Company to sign the Guaranty which is drawn in the same form as used for the Vinegar Hill contract Idm-E161.

If the contract meets with your approval, kindly present it to the applicant for approval and signature, and when completed distribute in the usual manner. In event the contract is not satisfactory, return all copies with your recommendation concerning any necessary modification.

Sincerely yours,

(signed) FRANK E. JOHNSON (JWS)

Chairman, Operating Committee
Defense Minerals Exploration
Administration

A.H. 6-11-52

Enclosures-6

APPROVED:

J. H. Hedges (JWS)
Member, Bureau of Mines

D. M. Lemmon (JWS)
Member, Geological Survey

JWAlt/mef
6/2/52
cc to: Adm. R. File
Op. Comm.
Docket File
Mr. Moulds
Mr. Alt
Mr. McKnight
Mr. Bishop
Region V

P.S. It will be necessary to insert in the contract in the space provided under Article 3 the number of days from the date of the contract in which work shall commence.

500
FILE COPY
SURNAME:

Moulds

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION
WASHINGTON 25, D. C.

June 2, 1952

Memorandum

To: Mr. Robert E. Adams
Administrative Officer

From: D. E. Moulds, Chief
Base Metals Division

Subject: Docket No's. DMEA 2399, 2401, 2402, and 2403.
Eagle-Picher Company's applications.

These four applications of the Eagle-Picher Company, for the purpose of drawing up a contract, have been combined and are listed as Docket No. DMEA 2399.

Kindly advise the category to be used in reporting the action on the other three dockets.

D. E. Moulds (mef)

D. E. Moulds

EWAlt/mef
cc to: Docket File
Adm. R. File
Op. Comm.
Mr. Alt
Mr. Moulds

FILE COPY
SURNAME:

Rubin

UNITED STATES 140
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION
WASHINGTON 25, D. C.

May 29, 1952

Memorandum

To: Acting Administrator
Through: Mr. D. E. Moulds

From: Chief Counsel

Subject: Eagle-Picher Company, Docket No. DMEA-2399

N.S
RJR

There is attached, in satisfactory legal form for execution, a contract covering the subject project. However, prior to the execution of the contract, the Guaranty of the applicant must be obtained and annexed to the contract.

J. L. Hofflund
Chief Counsel

Attachments 7

HCRubin/em

Copy to: Mails and Files
J. L. Hofflund
H. C. Rubin
chron.

500
FILE COPY
SURNAME:

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION
WASHINGTON 25, D. C.

Moulds

MAY 12 1952

Mr. Corbin Shouse
Eagle-Picher Company
Mining and Smelting Division
First National Bank Building
Miami, Oklahoma

Re: Docket Numbers DMEA
2399, 2401, 2402, 2403
Eagle-Picher Company

Dear Mr. Shouse:

In reply to your letter of April 28, 1952; we wish to inform you that the Eagle-Picher Company's applications for exploration assistance are being processed by the Base Metals Division of the Defense Minerals Exploration Administration. We are unable to advise how long it will be until the contract is presented for your approval and signature. You may be assured, however, that everything possible is being done to expedite the processing of this contract.

Your contract will be prepared to include the property as submitted in the applications. If you later obtain leases on the properties between Project 1 and Project 2, and between Project 3 and Project 4, your contract could be amended by the Regional Field Office to include these leases and, also, to allow some of the drilling to be done on these leases.

Sincerely yours,

D. E. Moulds (mef) 5/12

D. E. Moulds, Chief
Base Metals Division
Defense Minerals Exploration
Administration

JWAlt/hmj
5-8-52
CC to: Adm. Reading File
Docket File Copy
Region V
Mr. Bishop
Mr. McKnight
Mr. Moulds
Mr. Alt

EAGLE-PICHER

THE EAGLE-PICHER COMPANY

ZINC AND ZINC PRODUCTS · LEAD AND LEAD PRODUCTS · HOME AND INDUSTRIAL INSULATIONS

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
MAY - 1 1952

MINING & SMELTING DIVISION
FIRST NATIONAL BANK BLDG.
MIAMI, OKLAHOMA

April 28, 1952

United States Dept. of Interior
Defense Minerals Exploration Administration
Washington 25, D. C.

Attention: Mr. Frank E. Johnson,
Acting Administrator

Re: Dockett DMEA 2399, 2401,
2402, 2403, (Lead-Zinc)
Lafayette County, Wis.

Dear Mr. Johnson:

We are in receipt of your letter of April 15, relative to the above matter, in which you request our approval of DMEA drawing one exploration contract covering all of the above numbered projects.

If the policy of the administration is in accordance with that view please go ahead and draft one contract to cover all four projects.

As to the properties which separate the tracts of land described in each of the four projects submitted, those were not included in any of the projects because we do not hold leases upon them. In the event we are able to secure leases upon any of those properties and we wish at that time to include such tracts in the one project contract, we wonder if it could not be done at a later date by a short supplementary contract, which would simply incorporate such tracts into the original contract and allow some additional funds for prospecting on the same basis that we proposed to prospect the acreage described in the applications submitted.

Will you please acknowledge receipt of this letter and advise us about when you will be ready to submit a contract to us.

Yours truly,

Corbin Shouse

Corbin Shouse
Legal Department

CS:dk

FILE COPY
SURNAME:

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION
WASHINGTON 25, D. C.

Moulds
Cyrus
Bishop
Johnson

APR 1 5 1952

Mr. Corbin Shouse
Eagle-Picher Company
Mining and Smelting Division
First National Bank Building
Miami, Oklahoma

Re: Docket DMEA 2399, 2401
2402, 2403 (Lead-Zinc)
Lafayette County, Wis.

Dear Mr. Shouse:

The four exploration project applications presented by your company covering churn drilling in the Wisconsin area have been reviewed by the Defense Minerals Exploration Administration. It is noted that Project 1 is separated from Project 2 by a strip of land, one-quarter mile in width; Project 2 and Project 3 adjoin except for the area occupied by the old Vinegar Hill Plant; and Project 4 is separated from Project 3 by a strip of land approximately one-quarter mile in width.

It appears that the principal justification for the preliminary pattern drilling contemplated in this program rests on the structural information and known mineralization in areas which in some cases are quite remote from the areas included in these projects. The determination of structural controls and mineralization resulting from the proposed program, therefore, can be justified only on benefits to the entire area in the vicinity, and not in relation to a small area in the immediate vicinity of the drilling. It also appears that the program can be more efficiently prosecuted as a unit in respect to drilling contracts, supervision, and flexibility in conducting the drilling in the later stages of structure and ore delineation.

We, therefore, believe that the four projects should be combined into one contract in order to justify the amount of drilling requested and to permit greater ease in administration and flexibility in the program.

We will appreciate receipt of your approval and permission to incorporate the four applications into one contract for exploration. We will also appreciate information as to the present interest or intent of the Eagle-Picher Company in the mineral rights in the excluded area between Project 1 and Project 2 and between Project 3 and Project 4.

DEMoulds/meh/hmj
4-14-52
cc to: Adm. R. File
Docket File Copy
Region V (2)
Mr. Bishop
Mr. McKnight
Mr. Moulds

Sincerely yours,

4/16

(signed) FRANK E. JOHNSON (for)

Acting Administrator
Defense Minerals Exploration
Administration

OFFICE OF THE ADMINISTRATOR

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS ADMINISTRATION

~~WASHINGTON 25, D. C.~~

Region V
2908 Colfax Avenue South
Minneapolis 8, Minnesota

April 1, 1952

Memorandum

To: Operating Committee, Defense Minerals Exploration Administration, Interior Building, Washington 25, D. C.

From: Executive Officer, Field Team, Region V

Subject: Dockets 2399, 2401, 2402, and 2403
Eagle-Picher Company

Returned are the four docket applications and reviews, together with two copies of the field team representatives' opinion of the four applications.

Both the Washington reviewers and the field engineers agree that project 1 is hard to justify on its own merit. The statement by the field engineers questioning the strip of land between project 1 and 2 is quite pertinent.

The geologic probability of eventual certification of projects 2 and 3 seem very favorable, and there is no reason for separate projects.

Project 4 could stand alone, but the same condition exists between projects 3 and 4 as we mentioned about projects 1 and 2, i.e. strip of land between the two.

As noted in the last paragraph of the field team letter, perhaps there might be discrimination by separate projects.

However, it appears to this office that inquiry should be made of the Eagle-Picher Co. if they do have control or intend to get control of the strip of land between projects 1 and 2 and between projects 3 and 4; if so, all four projects should be combined into one project. Perhaps this would be quite acceptable to the company.

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
APR 4 1952

Reviewed by
DMEA OPERATING COMMITTEE

4-9-52.
(date) (NB)

If they do not control the intervening land, it appears projects 2 and 3 could be combined into one project and projects 1 and 4 as separate projects.

The most acceptable to the field team is one project.

Please keep us informed as to correspondence with Eagle-Picher Co. and developments as to the number of projects.

A. B. Needham
Executive Officer
Field Team, Region V

Attachments

COPY

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES

Box 261
Platteville, Wisconsin
March 27, 1952

Memorandum

To: A. B. Needham, Chief, Mining Division, Region V

From: W. A. Grosh, Mining Engineer

Subject: D.M.A. Docket 2399, 2401, 2402, and 2403 with Eagle-Picher Company, Applications for exploration contracts in Lafayette County, Wisconsin

We have reviewed the above applications as requested. The justification for the projects as presented in the application would hardly be sufficient to warrant approval of any of the contracts alone. The company has justified the programs on the basis of structural information and known mineralization in areas which in some cases is quite remote from areas on which exploration is proposed. They have not presented information concerning ore trends or structure obtained by their own recent drilling which might have bearing on these areas. We do feel, however, that the company has adequate technical supervision of their exploration programs so that they probably have good justification for exploring the areas in their proposals. Our opinion of each of the contracts is summarized below.

D.M.A. Docket 2399, Eagle-Picher Project No. 1

The area included under this project has little justification for itself alone. They propose to test the structure in the area by pattern drilling and proceed from the results of this to develop any indication of ore encountered. Without other information to justify this drilling it would appear that the shape and size of the block of ground included in the application is not the most suitable for following up any structural or other leads they may find. In other words the preliminary drilling may indicate favorable areas on adjoining properties which are not included in the contract. This pattern drilling however would possibly be of considerable help in finding ore trends when considerd in conjunction with their other proposals.

D.M.A. Docket 2401 and 2402, Eagle-Picher Project Nos 2 and 3

Either of these proposals could stand on their own merits alone as there is sufficient area included in the proposals. However as the two areas adjoin there is no apparent reason why they should be included as separate contracts. It is reasonable to suppose some one would be found in each of the areas and the company would be obligated for royalty payments regardless of whether the applications are approved as one or two contracts.

D.M.A. Docket 2403, Eagle-Picher Project No. 4

This application could stand on its merit alone as there is sufficient area included in the contract. In addition there is some indication of mineralization in the area as evidenced by the old shafts on the property.

The above remarks apply to the proposals when considered individually. However, the company very apparently intends to operate the programs as a unit using information obtained from one or another project to influence the others. The justification of all the proposals is the same. Therefore it would seem that all should be included in one contract.

Project No. 1 is separated from No. 2 by a strip of land not included in the contract. If the company does not hold the lease on the intervening property this can be understood. However, if they have the lease on this property why was it not included in the contract? If it was left out because the company thought it was a very favorable area it would seem the Government is taking the risk in only the less favorable areas.

In similar cases in this district the precedent has been established on granting only one contract when covering a large area with this type of drilling. The other companies may feel they have been discriminated against should Eagle-Picher be allowed to divide up their leases into separate blocks.

All documents are returned herewith.

/s/ Wesley A. Grosh

FILE COPY
SURNAME:

FEJohnson

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION 110
WASHINGTON 25, D. C.

MAR 2 4 1952

The Eagle Picher Company
First National Bank Building
Miami, Oklahoma

Gentlemen:

Re: Docket Nos. 2399, 2401,
2402, 2403 (Lead-Zinc)
Lafayette County, Wisc.

Reference is made to your applications for assistance in exploring the properties located in Lafayette County, Wisconsin, Docket Nos. 2399, 2401, 2402, and 2403.

These applications have been referred to Mr. A. B. Needham, Executive Officer, DMEA Field Team, Region V, 2908 Colfax Avenue South, Minneapolis 8, Minnesota for review. Upon receipt of recommendations from the field office, you will be advised of our decisions with respect to your applications.

Sincerely yours,

C. O. Mittendorf (fw) E.L. 3/24/52

Acting Administrator

3/21/52
FEJohnson/hb
Copy to: Adm. Reading File
✓Docket
Operating Committee
Region V
Mr. Bishop
Mr. McKnight
Mr. Moulds
FEJohnson

FILE COPY 500
SURNAME:

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
WASHINGTON 25, D. C.

MAR 24 1952

Mr. A. B. Needham
Executive Officer
DMEA Field Team, Region V
2908 Colfax Avenue, South
Minneapolis 8, Minnesota

Re: Docket Nos. 2399, 2401, 2402, 2403 (Lead-Zinc)
The Eagle Picher Company
Lafayette County, Wisconsin

Dear Mr. Needham:

We are transmitting herewith one set of application Form MF-103, including lease and map, and Review of Application for each of four exploration drilling projects by the Eagle-Picher Company in the Wisconsin area.

As indicated under 4 (a) of the review of Project 1, the projects are in, or between, the published investigations of the Geological Survey designated as the Hazel Green-Shullsburg and the Meekers Grove. The area between, we understand, has been surveyed but the data has not been published. This data may have a bearing on the merits of these projects.

Each application has been presented as a separate, complete project for a definitely bounded area. The preliminary pattern drilling may, however, result in such benefits to the company that some of the projects can be combined. Such combining of drilling footage and maximum participation should result in a beneficial flexibility of drilling in the subsequent classifications of structural and ore delineation drilling. The Government, of course, will benefit by including the larger area of discovery potential for repayment purposes. The possibility of combining the projects should be given consideration.

Please expedite consideration of the applications with particular reference to the above points and the "Review".

Sincerely yours,

EL 3/24/52

(signed) FRANK E. JOHNSON
JHB

Chairman, Operating Committee
Defense Minerals Exploration
Administration

Enclosures

APPROVED:

J. H. Hedges
JHB
Member, Bureau of Mines

T. P. Thayer
JHB
Member, Geological Survey

DEMoulds/FEJohnson/hmj/bih 3/20/52
cc to: Docket - Admr's. Reading File
Region V - Operating Committee
Messrs. Bishop - McKnight - Moulds
FEJohnson

500

FILE COPY
Surname:

Moulds

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF THE SECRETARY
WASHINGTON 25, D. C.

Mr. A. B. Needham
Executive Officer, Region V
DMEA Field Team
2908 Colfax Avenue, South
Minneapolis 8, Minnesota

Re: Docket Nos. 2399, 2401, 2402, 2403, Lead-Zinc
The Eagle Picher Company
Lafayette County, Wisconsin

Dear Mr. Needham:

We are transmitting, herewith, one set of application Form MF-103, including lease and map, and Review of Application for each of four exploration drilling projects by the Eagle-Picher Company in the Wisconsin area.

As indicated under 4 (a) of the review of Project 1, the projects are in, or between, the published investigations of the Geological Survey designated as the Hazel Green-Shullsburg and the Meekers Grove. The area between, we understand, has been surveyed but the data has not been published. This data may have a bearing on the merits of these projects.

The projects have been presented as a separate, complete program for a definitely bounded area. The preliminary pattern drilling may, however, result in such benefits to the company that some of the projects can be combined. Such combining of drilling footage and maximum participation should result in a beneficial flexibility of drilling in the subsequent classifications of structural and ore delineation drilling. The Government, of course, will benefit by including the larger area of discovery potential for repayment purposes.

Please expedite consideration of the applications with particular reference to the above points and the "Review".

Sincerely yours,

~~(signed) FRANK E. JOHNSON~~

Chairman, Operating Committee
Defense Minerals Exploration
Administration

Enclosures

APPROVED:

Member, Bureau of Mines

Member, Geological Survey

DEMoulds/hmj 3-18-52
CC to: Adm. Reading File
Docket File Copy
Mr. McKnight
Region V
Operating Committee
Mr. Bishop
Mr. Moulds

Defense Minerals Administration

Review of Application for Exploration Assistance

Docket No. DMEA-2399

To: Mr. C. O. Mi[illegible]

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
APR 4 1952

Commodity Lead-zinc

Total Amount $29,026.44

Govt. Participation 50% - $14,513.22

1. Name and Address of Applicant The Eagle Picher Company, Mining & Smelting Division, First National Bank Building, Miami, Oklahoma

2. Location of Property In Sec. 6 and Sec. 7, T. 1 N., R. 1 E., Lafayette County, Wisconsin, R. F. Houtakker and J. D. Gray and H. C. Gray tracts, total = 183.19 acres. PROJECT NO. 1

3. Mineral or metal lead-zinc Is it listed in Section 9 of MO-5? Yes

If not, application will be rejected.

4. Geologic probability of discovery--based on data in application (question #16, 17, 18, 20 and 22)*

Mines or Survey reports, etc., do you rate chances:

a) Good X (see attached draft)

b) Poor

c) None

d) Don't know--needs field examination

e) Is there an alternative and favorable project? No
(If so, attach an explanation)

5. Is the applicant's right to the property clearly stated? Yes
(question 5, 6, 7)*

6. If applicant is a lessee, is a copy of the lease attached? Yes

Does the lease have sufficient time to run to cover a future productive period? Yes

*question numbers are those of MF-103

Dockets NOS. DMEA-2399
2401
2402
2403

4. (a) The Eagle Picher Company has proposed 4 exploration drilling programs in Lafayette County, Wisconsin. The properties to be explored are in or adjacent to areas which have been investigated by the Geological Survey. The results of these investigations have been published as Strategic Minerals Investigations Preliminary Reports, one covering the Hazel Green-Shullsburg area, the other the Meekers Grove area to the north.

Study of these areas has shown that the zinc deposits occur in brecciated zones adjacent to fissures, in inclined fissures (pitches), and along bedding plane fractures (flats) which are associated with and found near the edges of structural basins. It also was found that many of these structural basins, and therefore many of the deposits, are aligned along definite trends which are determined by more or less broad, open synclines. The more important trends are northeast, northwest and east-west.

On the basis of the above several companies, such as the Calumet and Hecla Consolidated Copper Company, and the Vinegar Hill Zinc Company, have successfully prospected the eastern part of the Hazel Green-Shullsburg area employing a drilling program similar to that proposed by the applicant.

Projects Nos. 2 and 3 apparently are to explore the possible northwest extension of a northwest-trending syncline which to the southeast contains and is marked by the Longhenry, Strawberry Blonde, Jack of Clubs, Frontier and Calvert mines. These two projects are closely related, at least in the preliminary stages of drilling, in that information gained from one can be used to evaluate the other.

Project No. 1 on the basis of present geologic information would be difficult to justify as a separate project although there may be a possible east-west shallow syncline in the northern part of the area to be drilled. The project probably could be better justified in that it would furnish structural data in an area contiguous to the possible syncline covered by project Nos. 2 and 3.

Project No. 4 is an investigation of a possible structural basis in the Meekers Grove area. The presence of this basin is based on evidence which is not too positive, However, there is evidence of mineralization and if the basin is present, as should be determined by the preliminary drilling, the possibilities of obtaining an ore deposit are not too remote.

7. Are subordination agreements necessary? Yes

a) MF-201? _____

b) MF-202? Special guarantee contracts

8. From the data presented, does the proposed project appear feasible from the point of view of:

a) Available manpower Yes

b) Equipment and supplies Yes
(question 14 plus general knowledge of availability)*

c) Accessibility (question 12)* Yes

d) Water (question 13)* Yes

e) Power (question 13)* Yes

Is a field check needed on any of these points? No

9. Does the experience of the applicant appear to be adequate to assure that he can properly conduct the proposed project? (question 4)* Yes

_____

Is a field check needed on this point? No

10. Exhibit A. (question 21 and 22)*

a) Is the project adequately described? Yes, consists entirely of churndrilling

If not, are there sufficient data given so that you can describe the project? _____ If so, attach a draft.

b) Is there an adequate map or sketch of the proposed work? Yes

_____

c) Is the proposed work "exploration" under the definition of Section 8, MO-5? Yes

If not, what part of it is? _____

_____

_____

_____

Is this part a worthwhile exploration project?_____

d) Are the cost estimates detailed? Yes

Can they be summarized, as on page 2 of Procedural Instruction 5-A, from the available data? contract data If so, attach a draft. attached

e) Are the cost estimates reasonable?_____

f) Should more information be requested from applicant? No

g) Is a field examination necessary to complete Exhibit A? No

11. Exhibit B (question 23-d)*

a) Is it applicable? No

b) If so, are sufficient data furnished?_____ If so, attach a draft.

c) Is a field check needed? No

12. Exhibit C (question 23-e, f and g)*

a) Is it applicable? No

b) Sufficient data?_____ If so, attach a draft.

c) Are rents and charges reasonable?_____

d) Is a field check needed? No

13. Exhibit D (question 23-a, b)*

a) Are there sufficient data? Yes

b) Is the schedule adequate for the work proposed? Yes

c) Is the schedule excessive for the work proposed?_____

d) Are the proposed wages and salaries reasonable? Yes

e) Is a field check needed? No

14. Exhibit E (question 23-c)*

a) Is it applicable? No

b) Sufficient data?

c) Reasonable?

d) Field check needed? No

15. In your judgment, can the proposed work be done in the proposed time? Yes

(All exploration must be completed within two years)

16. If field examination is not needed, attach your recommendation.

17. If field examination is needed, do you have any special instructions for the field team not indicated by your answers to the foregoing question?

Reviewed by: H. E. Olund

H. E. Olund, BM 3-4-52

O. M. Bishop

O. M. Bishop, BM 3-5-52

E. J. Lyons

E. J. Lyons, GS 3-14-52

Date 3-14-52

PROJECT NO. 1

Summary of drilling - Average depth of holes = 274.54 feet.

	No. of drill holes	Footage
1. Preliminary pattern drilling	11	3,020
2. Structure drilling	22	6,040
3. Drilling to delineate orebodies	31	8,511
Totals	64	17,571

Total footage for project..... 17,571'
Average footage per month..... 976'

	Estimated cost per month	Total cost of project
Drilling at $1.50/foot.....	$ 1,464.25	$ 26,356.50
Plugging holes at $5.00 each..	17.78	320.04
Salary of geologists.....	130.55	2,349.90
	$ 1,612.58	$ 29,026.44
50% Government share of cost	$ 806.28	$ 14,513.22

Mr. McNeill

xxxxxxxxxxxxxxx

College Park, Maryland

March 5, 1952

Memorandum

To: A. B. Needham, Executive Officer
Bureau-Survey Field Team, DMEA, Region V

From: Executive Officer, Bureau-Survey Field Team
DMEA, Region VIII

Subject: DMEA Dockets - Nos. 2399, 2401, 2402 and 2403.

Attached are four applications from The Eagle-Picher Company, Docket Nos. 2399, 2401, 2402 and 2403, which were sent to this office through error.

McHenry Mosier

Enclosures 4

McHM:rwa

copy for FEJohnson
DMEA Files 2

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
MAR 6 1952

EXPLORATION

Subject: DMEA-2399
Re: Exploration Loan
Eagle-Picher Project No. 1
March 3, 1952

Mr. Elmer Isern, Vice President
Eagle-Picher Company
Mining and Smelting Division
First National Bank Building
Miami, Oklahoma

My dear Mr. Isern:

This will acknowledge receipt of your application dated February 25, 1952 for a loan under the Defense Production Act of 1950.

Your application was assigned Docket Number DMEA-2399 and referred to the Base Metals Division.

Kindly refer to DMEA-2399 in any future correspondence relating to your application.

Sincerely yours,

ROBERT E. ADAMS

Robert E. Adams
Acting Administrative Officer

7862

DMEA-2399

EAGLE-PICHER

THE EAGLE-PICHER COMPANY

ZINC AND ZINC PRODUCTS · LEAD AND LEAD PRODUCTS · HOME AND INDUSTRIAL INSULATIONS

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
MAR 3 - 1952

MINING & SMELTING DIVISION
FIRST NATIONAL BANK BLDG.
MIAMI, OKLAHOMA

February 27, 1952

Defense Minerals Exploration Administration
Interior Building
Washington 25, D. C.

Gentlemen:

I enclose herewith in quadruplicate 4 different applications for aid for exploration projects, pursuant to Mineral Order No. 5. For identification in our records, we have numbered the projects as Projects 1, 2, 3 and 4.

While these applications seem somewhat bulky, the bulk is due to the copy of leases and map of the area attached to each copy of the applications.

Under Question 8 in Exhibit A of the applications, we state that we are enclosing one copy of our annual report for the year 1950 to cover the information called for by that question. After completing these applications, but before sending them out, our annual report for 1951 came in and I enclose a copy of that report instead.

I trust that you will find the enclosures contain sufficient information to pass upon the various applications. If not, I will be glad to forward any further information desired. I would also like to know as to when you will probably be able to pass upon the applications.

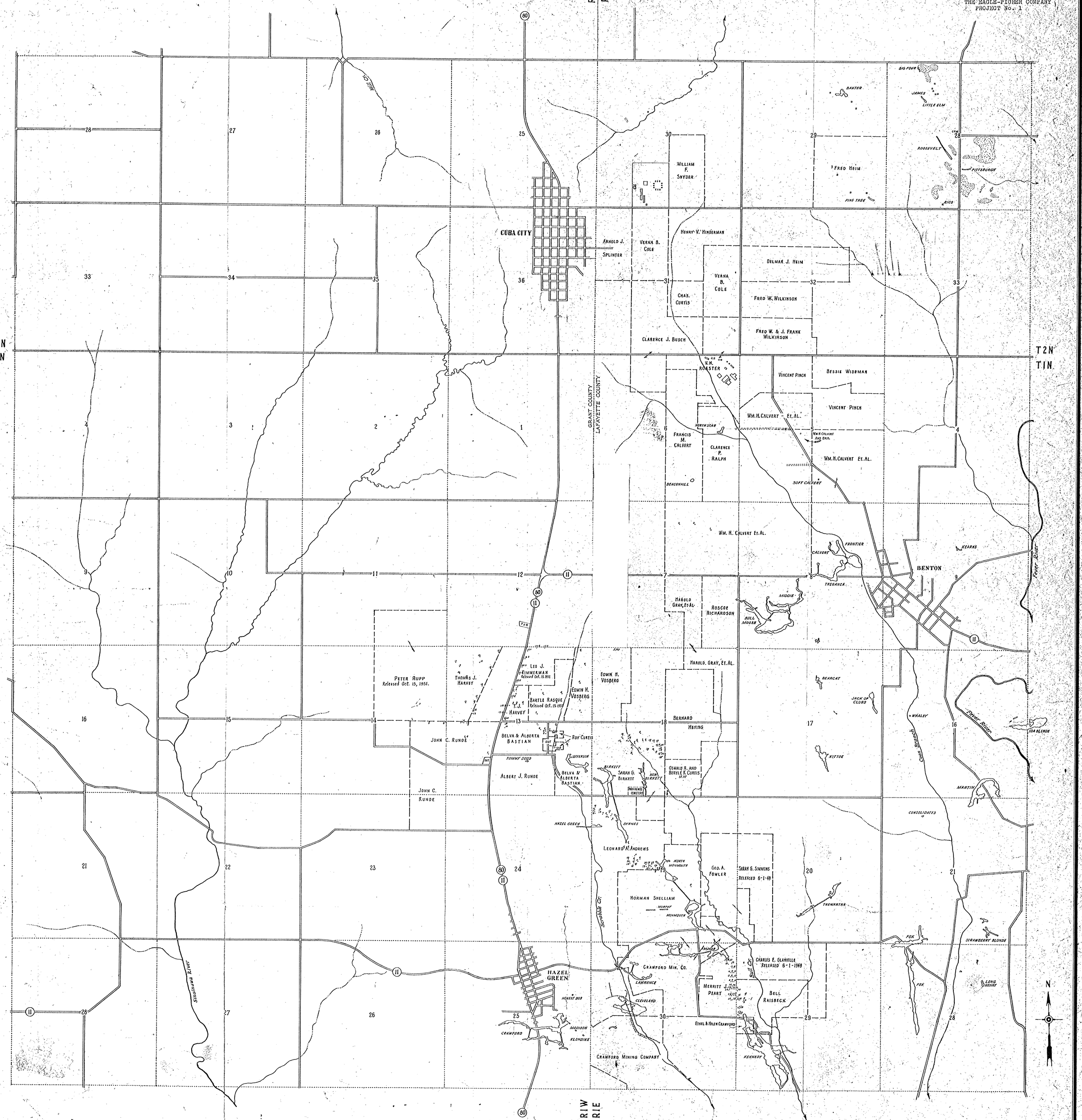
Yours truly,

Corbin Shouse

Corbin Shouse,
Legal Department.

Encs.
CS/jm
cc: Mr. J. L. Hofflund,
General Counsel
Defense Minerals Administration
Interior Building
Washington 25, D. C.

EXHIBIT D
THE EAGLE-PICHER COMPANY
PROJECT No. 1



EAGLE-PICHER
MINING & SMELTING CO

PART OF GRANT & LAFAYETTE COUNTIES

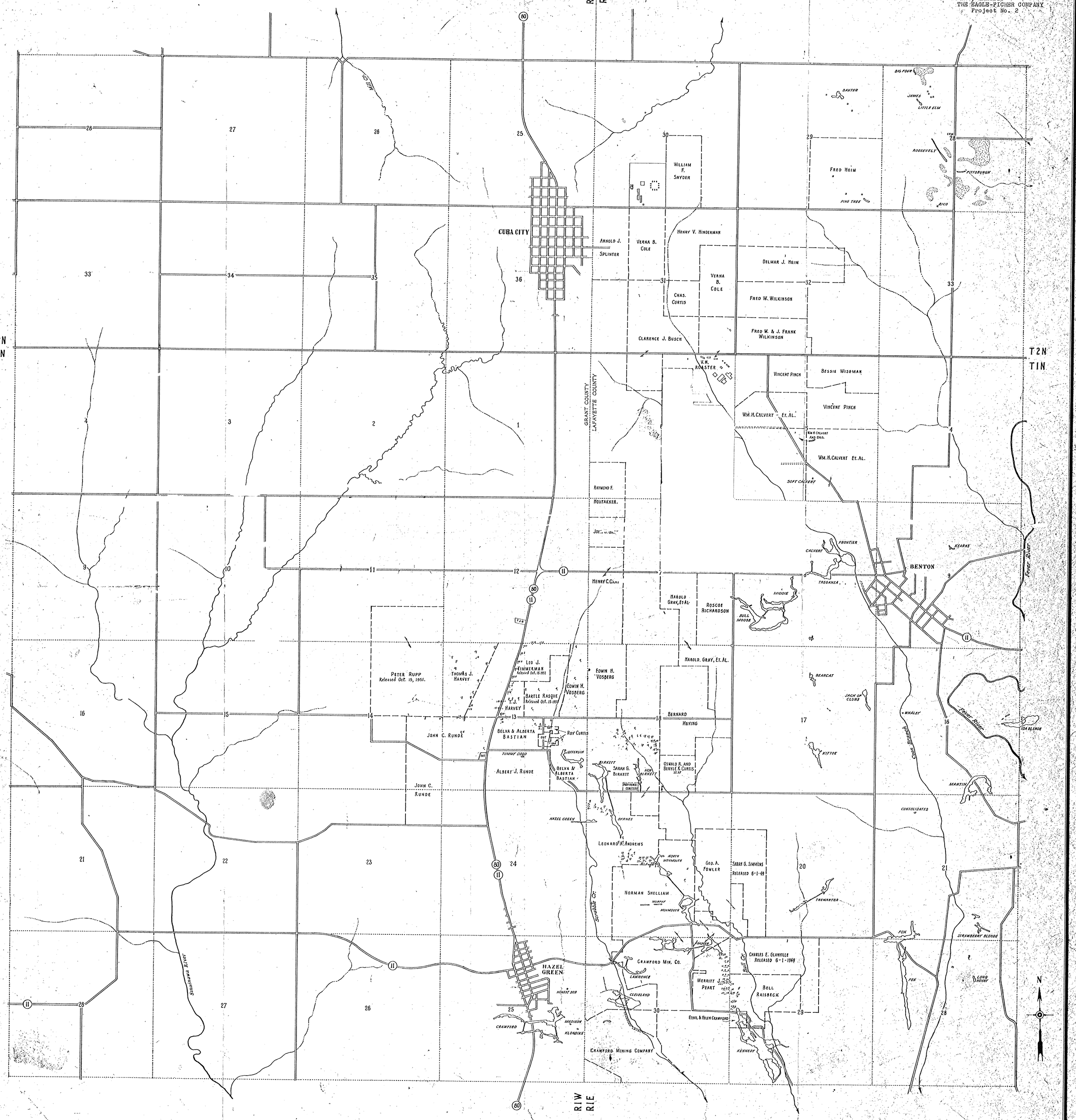
WISCONSIN LEASE MAP

SCALE, 4 IN. = 1 MILE

DRAFTING BY SHELLY

FILE IN WISCONSIN GENERAL POCKET

EXHIBIT
THE EAGLE-PICHER COMPANY
Project No. 2



Legend,
Project Area ———
Project No. 2
Drill Hole Locations 6 = No. 2 200 = Depth

EAGLE-PICHER
MINING & SMELTING CO

PART OF GRANT & LAFAYETTE COUNTIES

WISCONSIN LEASE MAP

SCALE, 4 IN. = 1 MILE

DRAFTING BY SHELLY

FILE IN WISCONSIN GENERAL POCKET

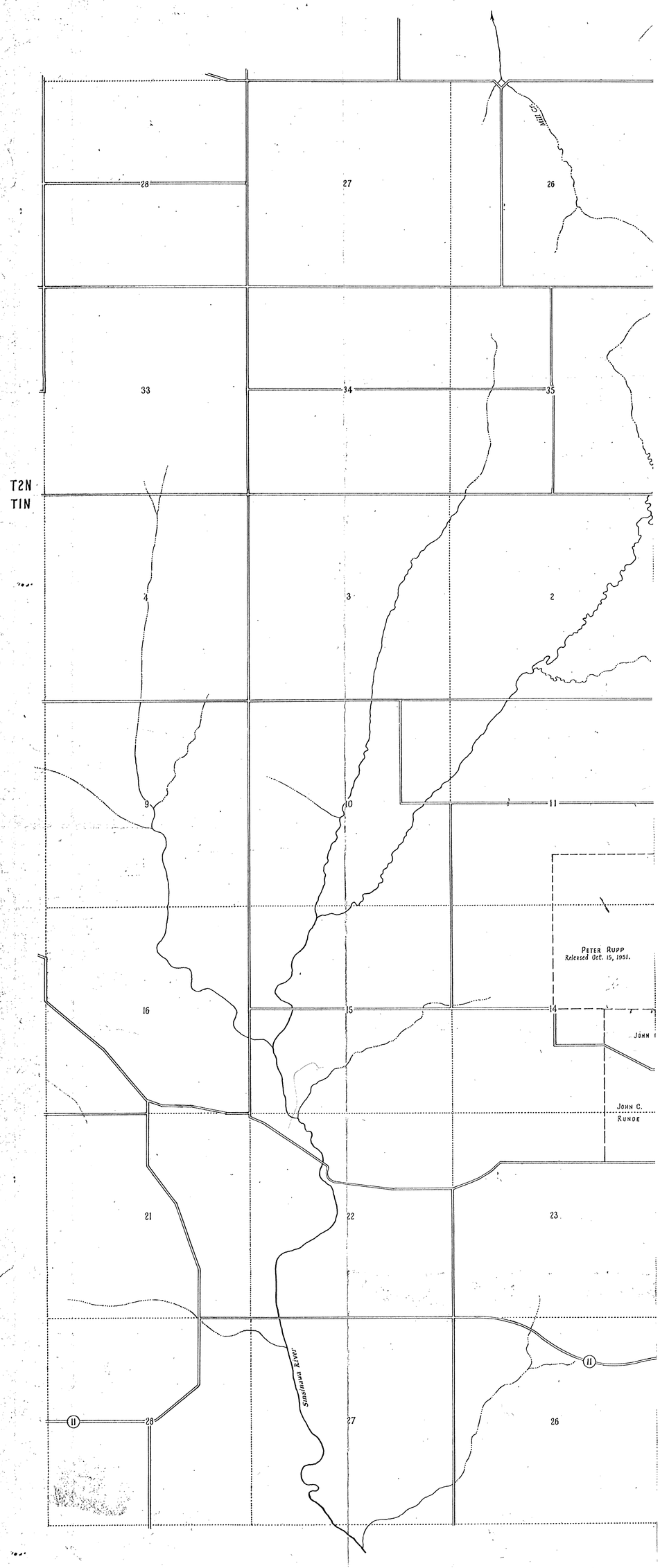
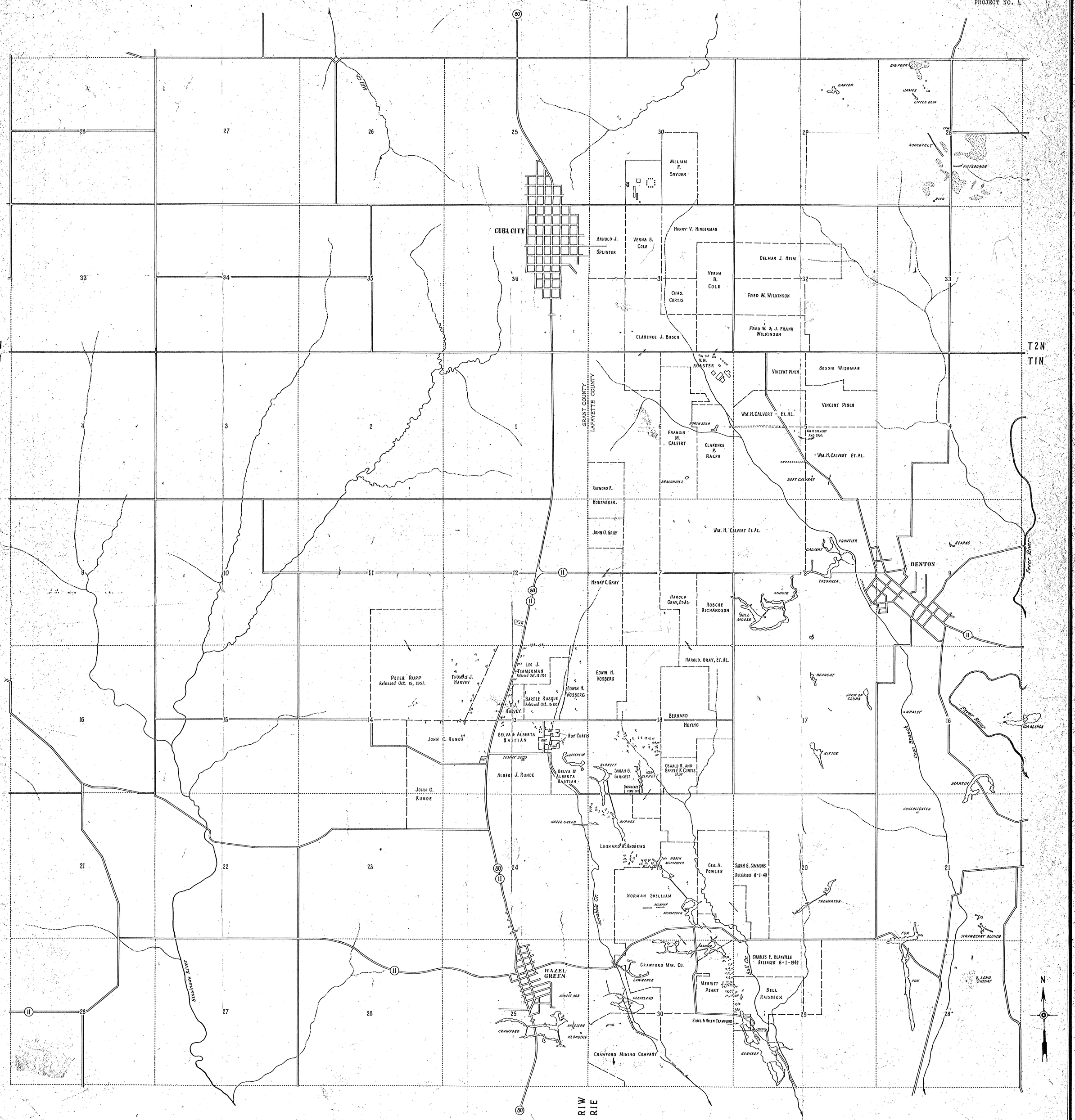

T2N
T1N
28
27
26
33
34
35
4
3
2
9
10
11
16
15
14
21
22
23
28
27
26
MILL CR.
SUSQUEHANNA RIVER
PETER RUPP
Released Oct. 15, 1951.
JOHN
JOHN C.
RUNDE
11
11

EXHIBIT D
THE EAGLE-PICHER COMPANY
PROJECT NO. 4



Legend,
Project Area
Project No. 4
Drill Hole Locations

EAGLE-PICHER
MINING & SMELTING CO

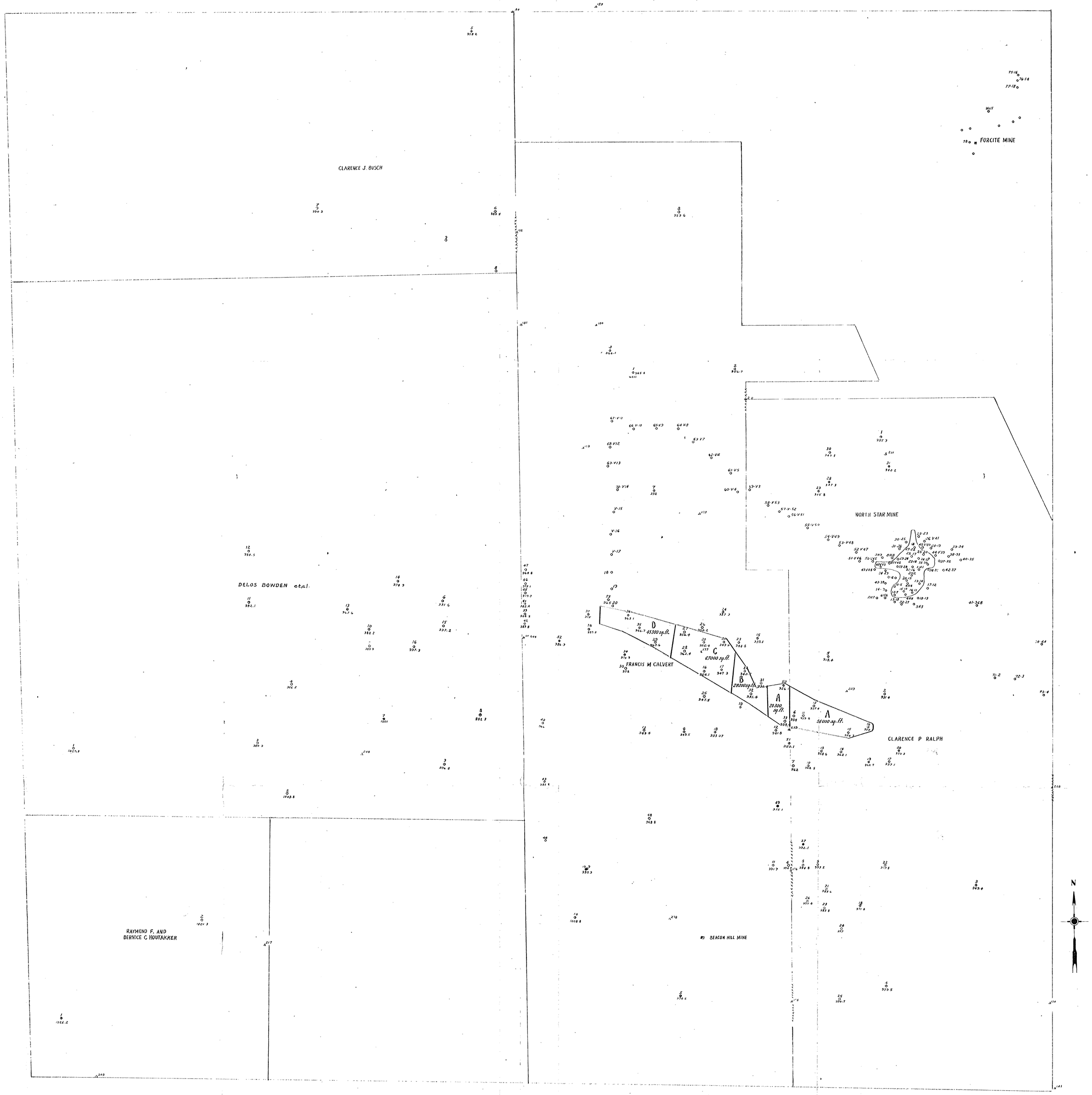
PART OF GRANT & LAFAYETTE COUNTIES

WISCONSIN LEASE MAP

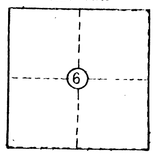
SCALE, 4 IN. = 1 MILE

DRAFTING BY SHELLY

FILE IN WISCONSIN GENERAL POCKET



KEY MAP



TIN RIE LAFAYETTE COUNTY, WISCONSIN.

THE EAGLE-PICHER COMPANY
MINING AND SMELTING DIVISION
GEOLOGICAL DEPARTMENT

SCALE 1"=200' INDEX 3IN 48E

THE EAGLE-PICHER COMPANY

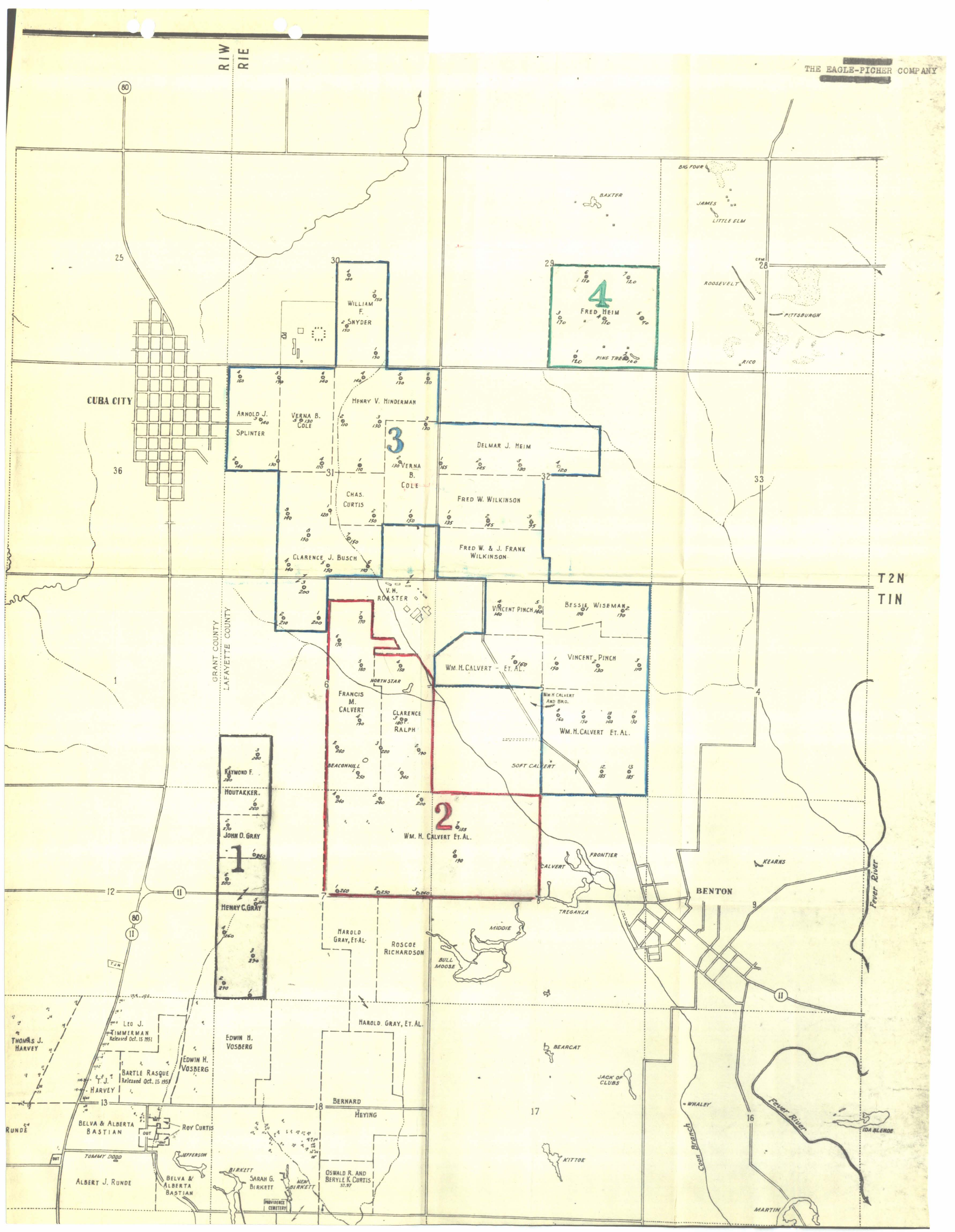
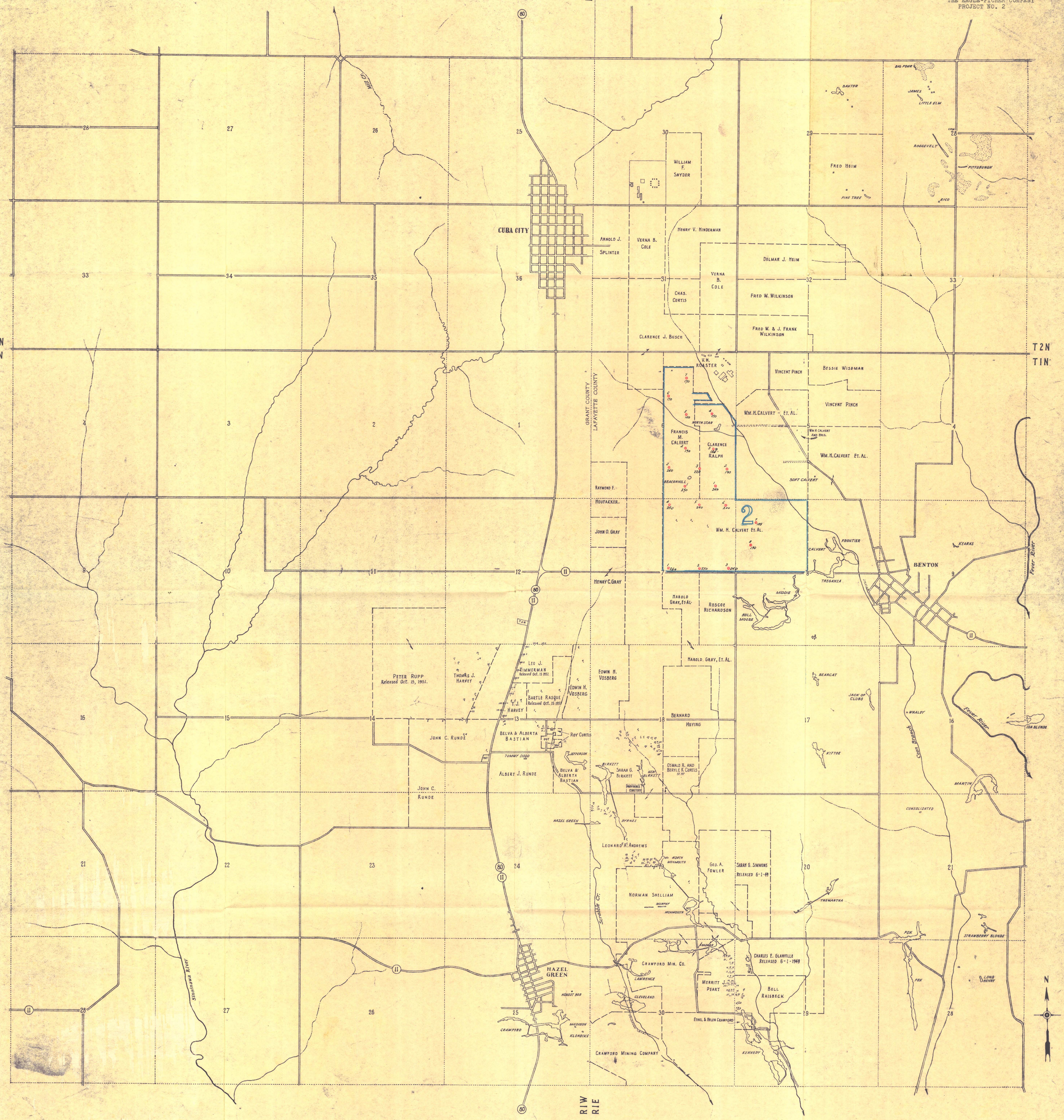


EXHIBIT D
THE EAGLE-PICHER COMPANY
PROJECT NO. 2



Legend,
Project Area
Project No. 2
Drill Hole Locations 6 - No. 170 - Depth

EAGLE-PICHER
MINING & SMELTING CO

PART OF GRANT & LAFAYETTE COUNTIES

WISCONSIN LEASE MAP

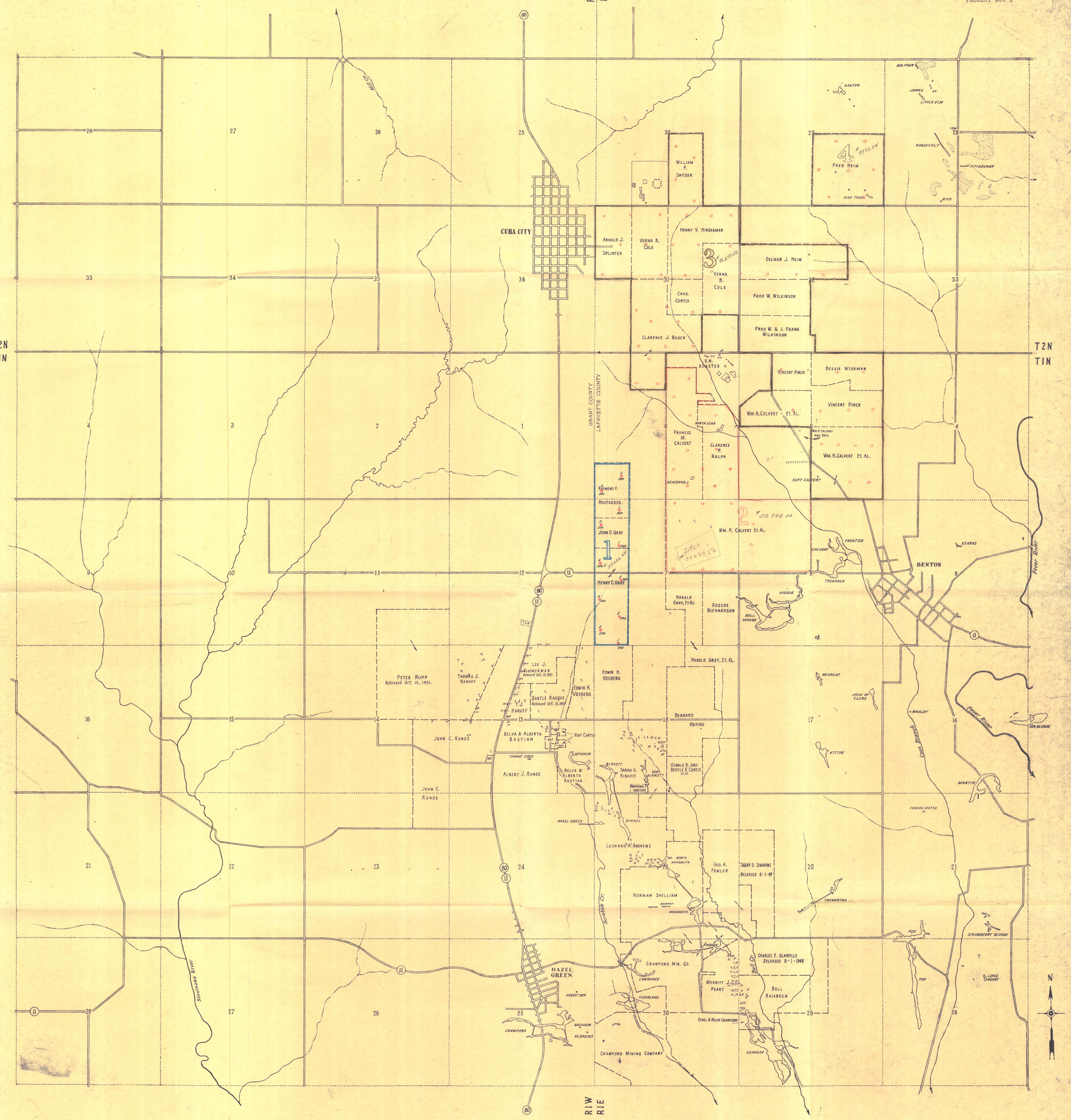
SCALE, 4 IN. = 1 MILE

DRAFTING BY SHELLY

2

FILE IN WISCONSIN GENERAL POCKET

EXHIBIT D
THE EAGLE-PICHER COMPANY
PROJECT No. 1



Legend,
Project Area
Project No. 1
Drill Hole Location 5 - No. 280 - Depth

EAGLE-PICHER
MINING & SMELTING CO

PART OF GRANT & LAFAYETTE COUNTIES

WISCONSIN LEASE MAP

SCALE, 4 IN. = 1 MILE

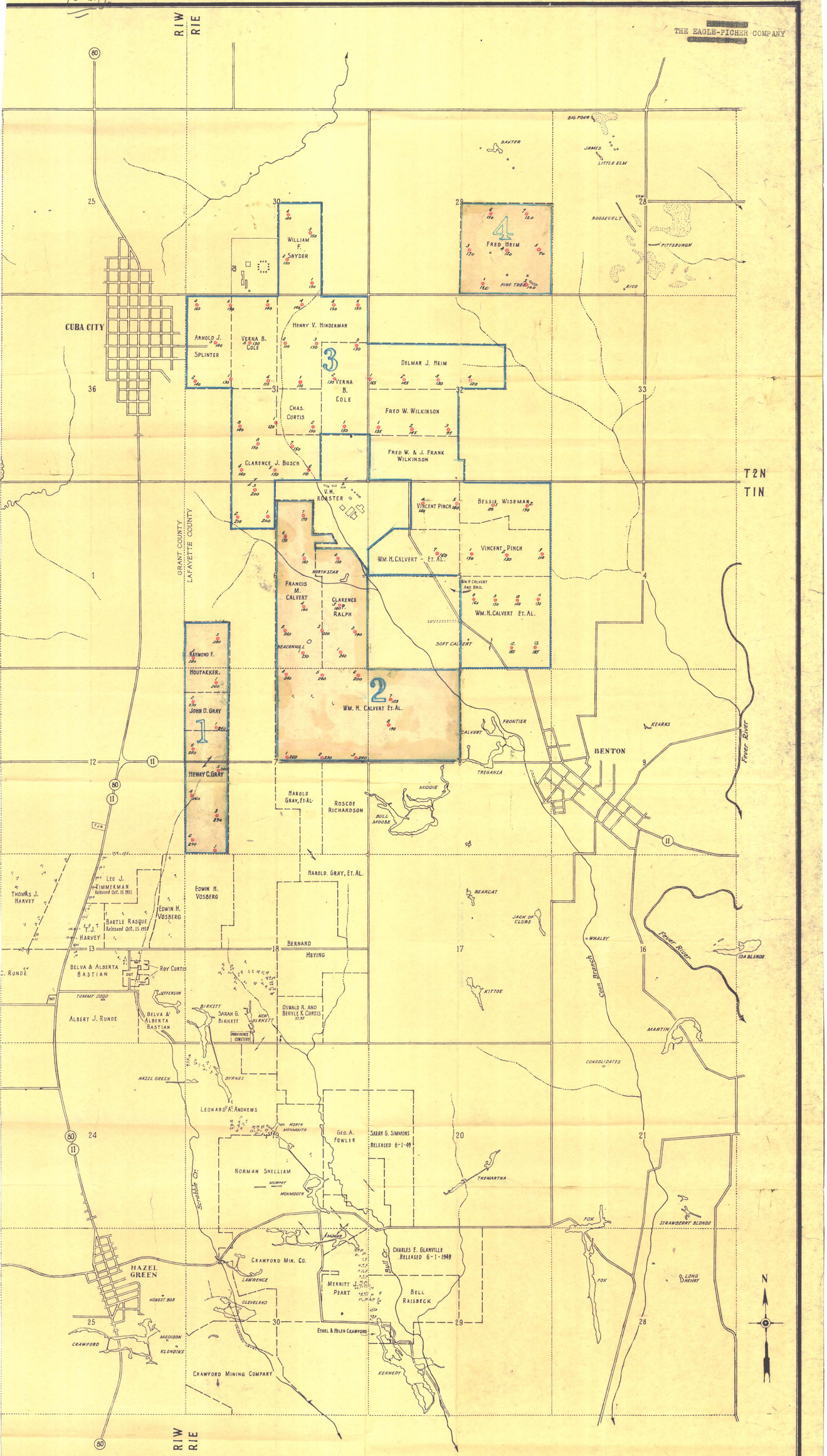
DRAFTING BY GRELLY

1

FILE IN WISCONSIN GENERAL POCKET

7th Copy

THE EAGLE-PICHER COMPANY



Legend,
Project Area
Project No. 3
Drill Hole Locations 3 = No. 110 = Depth

EAGLE-PICHER MINING & SMELTING CO

PART OF GRANT & LAFAYETTE COUNTIES

WISCONSIN LEASE MAP

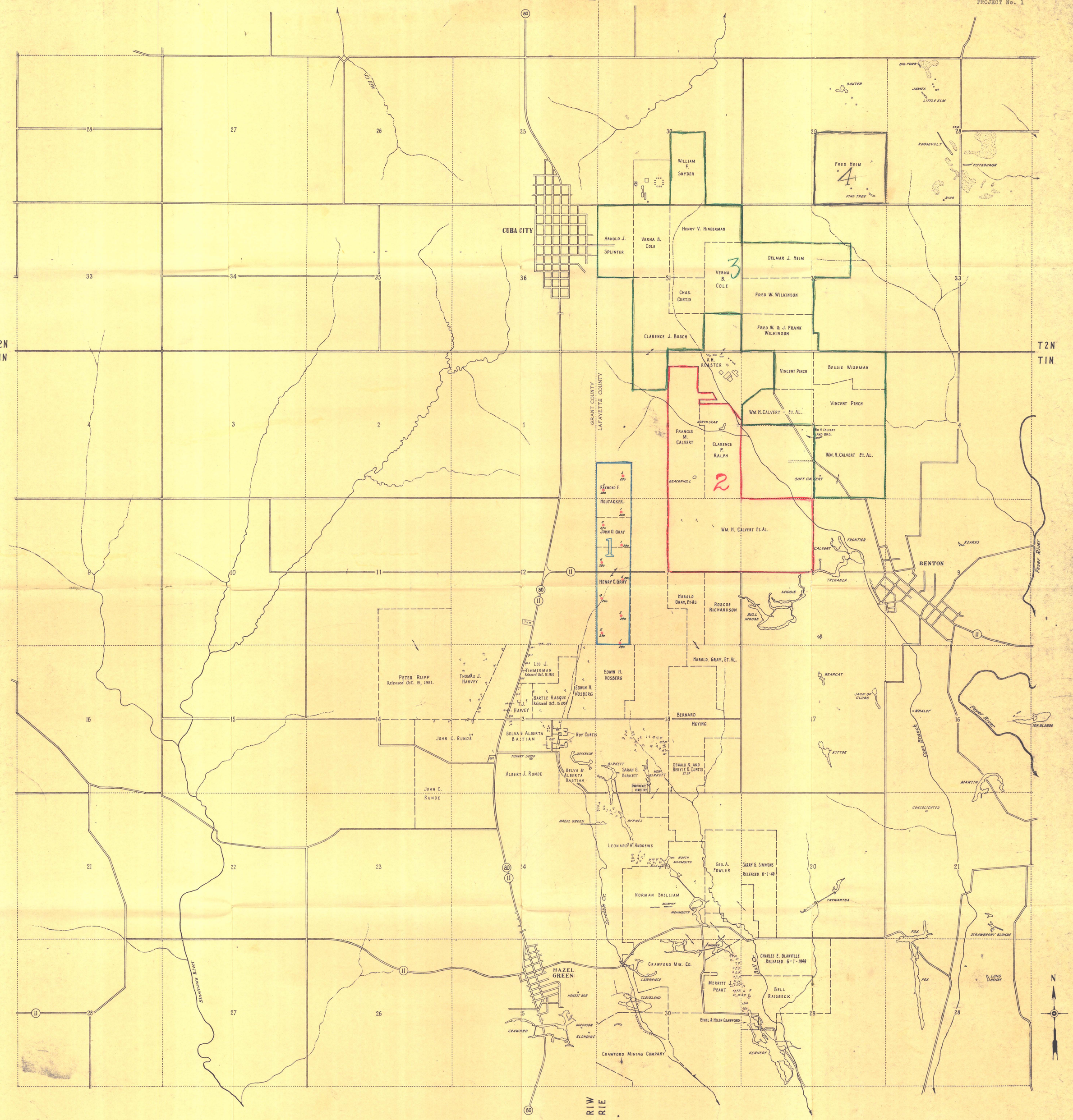
SCALE, 4 IN. = 1 MILE

3

DRAFTING BY OREILLY

FILE IN WISCONSIN GENERAL POCKET

EXHIBIT D
THE EAGLE-PICHER COMPANY
PROJECT No. 1



EAGLE-PICHER
MINING & SMELTING CO

PART OF GRANT & LAFAYETTE COUNTIES

WISCONSIN LEASE MAP

SCALE, 4 IN. = 1 MILE

DRAFTING BY OREILLY

FILE IN WISCONSIN GENERAL POCKET